

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Years Ended June 30, 2020 and June 30, 2021

Included in the Higher Education Funds of the State of South Carolina



Prepared by: Accounting Department-Business Services Division 425 S. Anderson Rd. | Rock Hill, South Carolina 29730 | yorktech.edu



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TABLE OF CONTENTS

1 INTRODUCTORY SECTION

- 3 President's Letter
- 4 Commissioners and Officers
- 5 Organizational Chart
- 6 Letter of Transmittal
- 10 Certificate of Achievement

11 FINANCIAL SECTION

- 13 Independent Auditor's Report
- 16 Management's Discussion and Analysis

22 Basic Financial Statements and Notes

- 24 Statement of Net Position
- 25 Statement of Revenues, Expenses, and Changes in Net Position
- 26 Statement of Cash Flows
- 28 YTC Foundation's Statement of Financial Position
- 29 YTC Foundation's Statement of Activities
- 31 Notes to Financial Statements

81 Required Supplemental Information

- 83 Schedule of Proportionate Share of Net Pension Liability
 - SC Retirement System and Police Officer's Retirement System
- 84 Schedule of College Contributions
 - SC Retirement System and Police Officer's Retirement System
- Schedule of Proportionate Share of Net OPEB Liability
 - SC Retirement Systems SCRHIFT
- Schedule of Proportionate Share of Net OPEB Liability
 SC Retirement Systems SCLTDITF
 - ECTION

87 STATISTICAL SECTION (not covered by the Independent Auditor's Report)

89 Narrative to the Statistical Section

90 Finanical Trends

- 92 Changes in Net Position
- 95 Net Position by Component
- 96 Operating Expenses by Function
- 97 Operating Expenses by Activity
- 98 Current Unrestricted Expenses per Annualized Credit Student

99 Revenue Capacity

- 101 Revenue by Funding Source
- 102 Tuition and Required Fees

103 Debt Capacity

105 Long-term Debt

106 Demographic and Economic Information

- 108 Admissions and Enrollment
- 110 Degrees Awarded
- 111 First-Time Freshmen Fall Enrollment
- 112 Corporate and Continuing Education Programs and Division Statistics
- 113 Demographic Data
- 114 Principal Employers by County

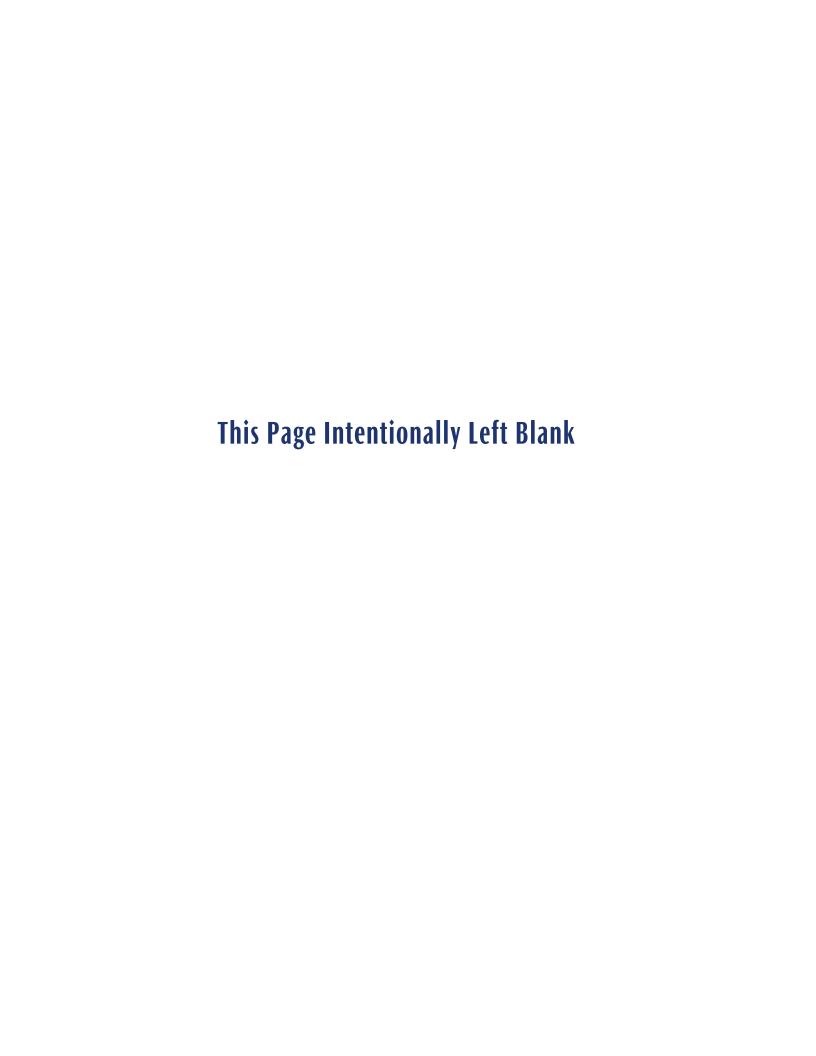
115 Operating Information

- 117 Faculty and Staff
- 118 Space Utilization

119 Other (non-required) Information

- 121 Program Accreditations and Approvals
- 122 Non-Discrimination Policy

123 SINGLE AUDIT SECTION



INTRODUCTION

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One College. Many Opportunities.

President's Letter

March 1, 2022

Members of the York Technical College Commission and the Community:

I am pleased to present to you the Annual Comprehensive Financial Report (ACFR) for 2021. The primary purpose of the ACFR is to provide financial transparency through documenting the audited results of the College's financial activities for fiscal year ended June 30, 2021. Our finances are ultimately the resource base for pursuing our mission of continuously improving student success.

Recent years have brought great challenges to all of higher education, including a global pandemic, declines in overall enrollment across the board, and a general feeling of unease in the ever-changing environment. Fortunately, YTC has also seized upon great opportunities for improvement and financial/student success. Strategic budget management and thoughtful program planning have resulted in the maintenance of a notably strong financial position.

I am extremely proud of the faculty, staff and administration at York Tech, and their efforts this past year, as we ended in a positive position for progress going into the coming academic and fiscal years, despite the challenges we face. Our employees are hard at work, improving student outcomes and refining our programs of study. Leadership is focused on what matters most as we strategically develop new methods for the future. All of our positive results, both fiscal and operational, are the culmination of hundreds of full and part-time employees working in unison to fulfill our mission.

I am also thankful to you, for your continued support of York Technical College.

Sincerely,

Stacey J. Moore, Ph.D.

Jacey J. Hoare

President

452 S. Anderson Road Rock Hill, SC 29730 T: 803.327.8000 F: 803.325.2864 www.yorktech.edu info@yorktech.edu

Commission Members - Administrative Staff - Service Area For the Year Ended June 30, 2021

Period Covered

Fiscal Year Ended June 30, 2021.

York Technical College Commission Members	County	Term Expires
Geri H. Rucker, Chair	York	2022
Dr. A. Douglas Marion, Vice-Chair	Chester	2023
Bruce D. Barre	York	2025
Hunter Faile	Lancaster	2023
James C. Hardin, III	York	2024
Jack Holladay	York	2022
Charles Z. Robinson	York	2025
Jeffrey C. Sigmon	York	2024
Dr. Keith Wilks	York	2024
Charles C. Williams, Jr	York	2022
Vacant	York	

All terms begin on April 15.

College Administrative Staff

Gregory F. Rutherford President

Stacey Moore Executive Vice President for Academic and Student Affairs

Gary McCombs Vice President for Business Services

Melanie Jones Vice President for College Advancement

Edwina Roseboro-Barnes Assistant Vice President of Human Resources

Mary Beth Schwartz Director of Institutional Effectiveness and Research

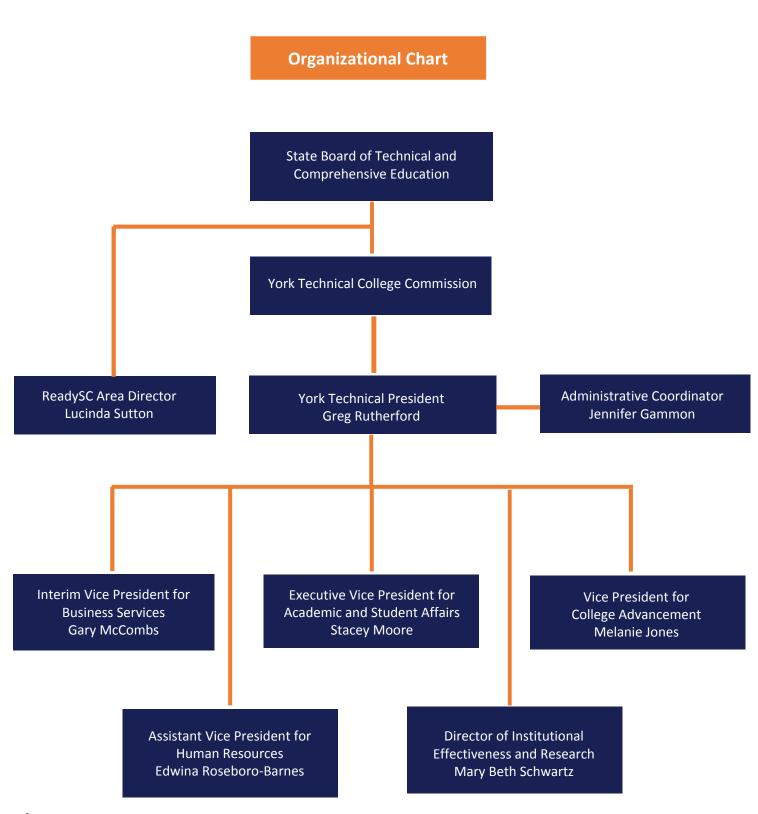
Service Areas

York, Chester and Lancaster Counties

Entities Providing Financial Support

York County Chester County

- U.S. Department of Agriculture
- U.S. Department of Education
- U.S. Department of Labor
- U.S. Department of Transportation
- U.S. Department of Veteran's Affairs
- S.C. Board for Technical & Comprehensive Education
- S.C. Commission on Higher Education
- S.C. Department of Education



^{*}As of June 30, 2021

One College. Many Opportunities.

April 5, 2022

To the Members of the Area Commission for York Technical College:

The College is pleased to present to you the Annual Comprehensive Financial Report for York Technical College for the year ended June 30, 2021. The report of our independent public accountants, Cline, Brandt, Kochenower Company, expresses an unmodified opinion on the basic financial statements. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, is assumed by the Office of the Vice President for Business Services. The information presented is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the College at the end of that fiscal year.

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. York Technical College's MD&A can be found immediately following the report of the independent auditors.

ENTITY

York Technical College is one of 16 technical colleges that comprise the South Carolina Technical College System, which is an agency of the state of South Carolina. York Technical College is a comprehensive public, two-year college serving the citizens of York, Chester and Lancaster counties.

The College offers:

Associate degrees in the following areas:

Vocational

Technical

Occupational

University transfer

Diplomas and certificates in the following areas:

Vocational

Technical

Occupational

- Developmental and remedial education
- Custom-designed continuing education for business and industry
- readySC to train potential employees for new and expanding manufacturing companies
- Student development and lifelong learning opportunities.

BASIC HISTORY OF YORK TECHNICAL COLLEGE

In 1960 former Governor Ernest F. Hollings initiated a state educational system, motivated by the idea that if South Carolina could offer a well-trained work force, the state would attract more business and industry. This training was to be provided by a system of 13 technical colleges (currently 16 colleges). In 1961 the South Carolina General Assembly passed Act 323, which provided for the appointment of an advisory committee to study the feasibility of establishing a network of centers for technical training in strategic positions throughout the state. The purpose of these centers was "to prepare individuals for entry into or progressing in employment in industrial and technical

452 S. Anderson Road Rock Hill, SC 29730 T: 803.327.8000 F: 803.325.2864 www.yorktech.edu info@yorktech.edu pursuits or designed to improve conditions which result in improved citizenship." These centers would be located at points which would be readily accessible to a large majority of the state's population.

York Technical College opened in 1964 as a technical education center with 60 students enrolled in seven programs housed in one building. In 1974 York County Technical Education Center became York Technical College. The college has grown in the past four decades from the initial enrollment of 60 students to over 4700 enrolled during 2020 in more than 70 credit programs. In addition to its academic programs, the College provides continuing education for area residents and numerous businesses each year. The College campus has grown from one building to a multi-site operation with 15 buildings on the main campus alone.

The York Technical College Foundation is controlled by a separate board of directors. It is a component unit of York Technical College and its financial data is included by discrete presentation.

ECONOMIC CONDITION AND OUTLOOK

A primary mission of the technical colleges is to support economic development through education and training for the citizens of the state of South Carolina. Public higher education in general and York Technical College in particular are impacted by economic conditions in the state as well as funding priorities established by the South Carolina Legislature. The College's financial condition is also impacted by local economic conditions in the counties it serves and by their funding priorities.

South Carolina's economy has improved in the past year, with the pace of economic growth and job creation rate consistent with that of national trends. The demand for skilled labor has increased, as manufacturers find themselves unable to meet growing demand through productivity improvements alone. As a result, the College's skilled technology programs could experience enrollment declines since many potential students are now going directly into the workforce.

FINANCIAL INFORMATION

The management team of the College is responsible for establishing and maintaining internal control policies and procedures to safeguard the assets of the College. As part of this responsibility, the management of the Business Services Division of the College ensures that its financial statements are prepared in conformity with generally accepted accounting principles. The internal accounting control structure is designed to provide reasonable but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived and 2) the evaluation of costs and benefits requires estimates and judgments by management. Accordingly, organizational structure, policies and procedures have been established to safeguard assets, ensure the reliability of accounting data, promote efficient operations, and ensure compliance with established governmental laws, regulations and policies, College policies, and other requirements of sponsors to whom the College is accountable. Annual audits are conducted under the authority of the South Carolina State Auditor with testing to ensure the adequacy of internal controls and the College's compliance with applicable laws and regulations.

As a recipient of federal financial awards, the College is responsible for ensuring compliance with all applicable laws and regulations relating to such assistance. A combination of state and college policies and procedures, integrated with the College's system of internal controls, provides for this compliance.

The College undergoes an annual examination of its federal financial assistance programs in accordance with U.S. Office of Management and Budget Circular A-133.

BUDGETARY MANAGEMENT

The College has proactively managed its budget which is based on reasonable projections of future funding. The College uses various methods of budgetary control which help ensure compliance with the annual budget adopted by the Area Commission. Line-item budgeting, the method that budgets by organizational unit and object, is used by the College. This method is consistent with the lines of authority and responsibility in each organizational unit and allows accumulation of expenditure data at each functional level. The approach also enhances organizational control and provides a benchmark for use in trend or historical analysis. The College's budget is implicitly linked to financial accountability and relates to financial reporting objectives established by the GASB. The College also uses an encumbrance accounting system as an additional measure in accomplishing budgetary control. Open encumbrances are reported as Allocations of Fund Balance at year end. As demonstrated by the financial statements and schedules included in the financial section of this report, management of the College continues to meet its responsibility for sound financial management and its student-centered mission.

FINANCIAL POLICIES AND LONG-TERM FINANCIAL PLANNING

The College is using its long range financial models, originally developed to examine the sustainability of various operating structures, to provide information about the impact of long-term demographic changes on the College's operations. A sharp drop in birth rates in SC that began in 2008 will impact the number of students available to attend college, beginning around 2026. The College expects that its enrollment will decline steadily from 2026 until 2030, at a rate of approximately 5-10% per year. To prepare for that, the College is currently beginning a campaign of rightsizing, looking for opportunities to leverage automation, outsourcing, and a move to cloud-based information technology solutions that will provide better client and employee experience at lower cost.

DEBT ADMINISTRATION

At June 30, 2021, the College had no outstanding debt.

INDEPENDENT AUDIT

The financial statements have been audited by Cline, Brandt, Kochenower Inc., Independent Certified Public Accountants. The Independent Auditors' Report is included in the financial section of this report and reflects an unmodified opinion on the basic financial statements. The College complies with the requirements of the Single Audit Act for which separate reports are issued.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to York Technical College for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the 23rd consecutive year that York Technical College achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program requirements and will be submitted to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

It is incumbent upon us to thank the York Technical College Commission and the President of the College for their interest and support in conducting the fiscal affairs of the College in a highly responsible and professional manner. The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the Business Services Division staff and other departments and individuals who assisted in the preparation of this report. Our appreciation is also expressed to our independent auditors, Cline, Brandt, Kochenower and Company for the timely completion of the audit.

(NO

Very Truly Xours

Jon Castro

Accounting Services Manager



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

York Technical College South Carolina

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO

FINANCIAL

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MEMBERS
AMERICAN INSTITUTE OF CPAS
PRIVATE COMPANIES PRACTICE SECTION
SOUTH CAROLINA ASSOCIATION OF CPAS

GOVERNMENTAL AUDIT QUALITY CENTER

Cline Brandt Kochenower

& Co., P.A.

Certified Public Accountants

Established 1950

ALBERT B. CLINE, CPA (1923-2013) RAYMOND H. BRANDT, CPA

BEN D. KOCHENOWER, CPA, CFE, CVA, CICA, CGMA TIMOTHY S. BLAKE, CPA/PFS BRANDON A. BLAKE, CPA

Independent Auditors' Report

York Technical College Rock Hill. South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit (York Tech College Foundation, Inc.) of York Technical College, a component unit of the State of South Carolina, as of and for the years ended June 30, 2021 and June 30, 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of York Tech College Foundation, Inc., which represent 100 percent of the discretely presented component unit presented in the financial statements. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the York Tech College Foundation, Inc., is based solely on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. The financial statements of York Tech College Foundation, Inc. were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we express no such, opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

York Technical College Rock Hill, South Carolina Page Two

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of York Technical College as of June 30, 2021 and June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (MD&A), the Schedule of the College's Proportionate Share of the Net Pension Liability and Contributions, and the Schedule of the College's Proportionate Share of the Net OPEB Liability and Contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise York Technical College's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by *Title 2 U.S.* Code of Federal Regulations (CFR) *Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

York Technical College Rock Hill, South Carolina Page Three

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2021, on our consideration of York Technical College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Report on State Lottery Assistance Program

Cailali - VRAA

We have also issued our report dated September 30, 2021 on our consideration of York Technical College's administration of the State Lottery Assistance Program and on our tests of its compliance with certain provisions of State law and policy 3-2-307 and Procedure 3-2-307.1 of the State Board for Technical and Comprehensive Education.

Gaffney, SC

September 30, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS YORK TECHNICAL COLLEGE JUNE 30, 2021

This section of York Technical College's Annual Financial Report presents management's discussion and analysis of the College's financial performance during the fiscal year ended June 30, 2021. This discussion should be read in conjunction with financial statements and the notes thereto, which follow this section.

Financial Highlights

- The Net Position of the College as of June 30, 2021 is \$4,176,490 inclusive of the impacts attributable to GASB 68 and 75.
- The College has on hand cash and cash equivalents of \$20,279,391, which may be used to meet the College's ongoing obligations.
- The College's change in Net Position for FY2021 was \$ 5,184,138.
- The College experienced an operating loss of \$ 16,687,286 as reported in the Statement of Revenues, Expenses, and Changes in Net Position. However, state appropriations of \$8,524,723, local appropriations of \$4,645,450, federal grants and contracts of \$7,302,031, as well as state and local capital appropriations of \$1,157,464 offset this operating loss.

Overview of the Financial Statements

The College is engaged only in Business-Type Activities (BTA) financed in part by fees charged to students for educational services. Accordingly, its activities are reported using the three financial statements required for proprietary funds: Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; and Statement of Cash Flows.

The Statement of Net Position presents the financial position of the College at the end of the fiscal year. Net position is the difference between the sum of assets and deferred outflows of resources, and the sum of liabilities and deferred inflows of resources. There are three components of net position: net investment in capital assets, unrestricted assets, and restricted assets. Net position is one indicator of the current financial condition of the College, while the change in net position is an indicator that the overall financial condition has improved or worsened during the year.

The Statement of Revenues, Expenses, and Changes in Net Position replaces the fund perspective with the entity-wide perspective. Revenues and expenses are categorized as operating or non-operating. In addition, expenses are reported by natural classification rather than functional classification.

The Statement of Cash Flows aids readers in identifying the sources and uses of cash by the major categories of operating, capital and related financing, noncapital financing, and investing activities. This statement also clearly presents the College's dependence on state and county appropriations by separating them from operating cash flows.

The financial statements include the accounts of York Technical College as the primary government entity and the accounts of York Technical College Foundation (the "Foundation"), as its component unit. The College is part of the primary government of the State of South Carolina. However, based on the nature and significance of the Foundation's relationship with the State of South Carolina, the Foundation is not a component unit of the State of South Carolina.

Financial Analysis

Statement of Net Position:

Net position may serve over time as a useful indicator of an entity's financial position. For the fiscal year ending June 30, 2021, the College's Net Position was \$4,176,490. Comparing this to a deficit Net Position for the fiscal year ending June 30, 2020 of (\$1,007,648) indicates that the College improved its Net Position, through FY21 operating and non-operating activities, by \$5,184,138.

This increase was attributable, in large part, to the drastic change in the mode of operation in response to the Covid-19 pandemic. The College pivoted to virtual delivery of services, except for those courses that required a clinic and/or lab component. Virtual mode of operation began on March 22, 2020 and continued, with only few exceptions, until early April, 2021. During this period, operating costs, such as utilities, supplies, professional, faculty/staff travel, and equipment, were significantly reduced. The College utilized funds provided by the Federal legislation to cover the costs of minimizing the spread of the virus and to compensate for lost revenue.

The College's net assets total \$ 4,176,490 at June 30, 2021, of which \$40,542,814 is reflected in its investments in capital assets (e.g., land, buildings, machinery, and equipment), less any related outstanding debt used to acquire those assets. The College uses these capital assets to provide services to students; consequently, these assets are not available for future spending. There is no debt associated with these assets. See Note 4 in the financial statements for further disclosure of capital assets.

Unrestricted net assets at June 30, 2021 were \$ (36,106,619). The unrestricted net assets are negative due to the impact of GASB 68 and GASB 75. The GASB 68 and 75 standards create accounting liabilities rather than legal liabilities. Although pursuant to accounting standards, the College must report its proportionate share of the pension and other postemployment benefit liabilities for the state's defined benefit retirement and other postemployment benefit plans, the College has no legal requirement to fund or pay out that share of the liabilities. The College is responsible only for making the contributions required by state law during any given year, and cannot pay down or pay off its proportionate shares because they are multiple employer cost-sharing plans.

The following schedule is prepared from the College's Statement of Net Position.

Net Position As of June 30, 2021 and June 30, 2020, (In millions)

	2021	2020	Increase/
-		<u>2020</u>	Decrease
ASSETS			
Current Assets	36.03	\$ 27.90	\$ 8.13
Non-current Assets	1.02	\$ 2.12	-\$ 1.10
Capital Assets	40.54	\$ 40.85	-\$ 0.31
TOTAL ASSETS	\$ 77.59	\$ 70.87	\$ 6.72
DEFERRED OUTFLOWS OF RESOURCES	13.33	\$ 7.58	\$ 5.75
TOTAL	\$ 90.92	\$ 78.45	\$ 12.47
LIABILITIES			
Current Liabilities	6.55	\$ 6.39	\$ 0.16
Non-current Liabilities	72.42	\$ 66.45	\$ 5.97
TOTAL LIABILITIES	\$ 78.96	\$ 72.84	\$ 6.12
DEFERRED INFLOWS OF RESOURCES	7.78	\$ 6.62	\$ 1.16
TOTAL	\$ 86.74	\$ 79.46	\$ 7.28
NET POSITION			
Net Investment in Capital Assets	40.54	\$ 40.85	-\$ 0.31
Unrestricted Assets (exclusive of GASB 68 and 75)	29.98	\$ 22.99	\$ 6.99
Unrestricted Assets (GASB 68 and 75 portion)	-66.34	-\$ 64.85	<u>-\$ 1.49</u>
TOTAL NET POSITION	\$ 4.18	-\$ 1.01	\$ 5.19

Statement of Cash Flows:

The Statement of Cash Flows is concerned solely with the flows of cash in and out of the College. Consequently, this statement reports the impact of the College's operations and strategic investments on its cash position.

Summary of Cash Flows As of June 30, 2021 and June 30, 2020 (In millions)

	2021	2020	rease/ crease
Net cash used by operating activities	-18.05	(16.66)	\$ (1.39)
Net cash flows from non-capital financing activities Net cash flows used by capital and related	21.31	19.99	\$ 1.32
financing activities	-0.32	(6.03)	\$ 5.71
Net cash flows from investing activities	0.27	0.51	\$ (0.24)
Net increase/decrease in cash	3.21	(2.19)	\$ 5.40

The College's cash increased in FY2021 by \$3,207,420, due in large part to significantly smaller investment in Capital Assets. During FY2021, net capital investment showed a dramatic decrease to \$.32 Million, net of capital appropriations.

Reduction in capital investment was but one factor attributing to the increase in cash position. Deferred revenue increased by \$ 1.19 Million, resulting in an increase in Cash. Conversely, various Payables declined by \$.8 Million, consuming Cash. Finally, significant funds flowed to the College from Federal sources to address Pandemic-related expenses and lost revenues, allowing the College to continue to operate and produce revenues during those tumultuous times, which continue into FY 2022.

The College believes that a strong cash position is essential to its long-term viability. State funding for operations and capital projects has varied unpredictably over the past few years, dependent upon the health of the State's financial base and Legislative priorities. With this uncertainty, the College seeks to manage its financial resources in a manner to fund maintenance, future construction, updating of academic equipment, and the launch of new programs. As the College continues to identify and invests in strategic initiatives, future decreases in its cash position are possible. However, such decreases will result from an overall plan for financial allocation and use, not by happenstance.

Statement of Revenues, Expenses, and Changes in Net Position:

The Statement of Revenues, Expenses and Changes in Net Position presents and categorizes revenues earned and expenses incurred during the year by operating and non-operating. Generally, operating revenues and expenses are those received and used to carry out the mission of the College, State and local financial support is classified as non-operating revenues. As a result, the College reports an operating deficit. However, with the inclusion of non-operating revenue, an overall surplus is reported for the year.

State and local capital appropriations and capital grants and gifts are considered neither operating nor non-operating revenues and are reported below in the schedule.

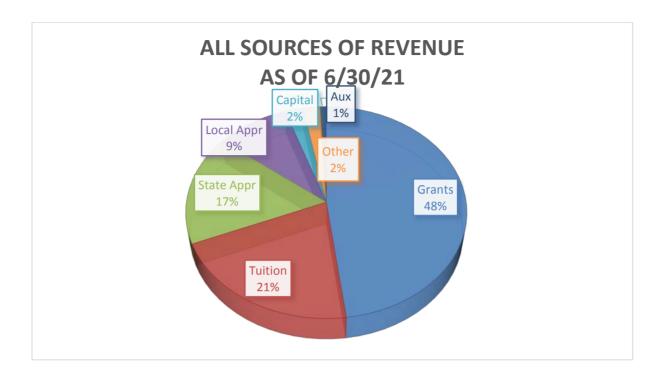
Statement of Revenue, Expenses and Changes in Net Position As of June 30, 2021 and June 30, 2020 (In millions)

		2021	20)20	rease/ crease
Operating Revenue					
Tuition and Fees (Net of Scholarship Allowance)	\$	10.52	\$	10.80	\$ (0.28)
Grants and Contracts	\$	17.56	\$	12.64	\$ 4.92
Auxiliary	\$	0.40	\$	0.42	\$ (0.02)
Other	\$ \$	0.21	\$	0.23	\$ (0.02)
Total Operating Revenue	\$	28.69	\$	24.09	\$ 4.60
Less Operating Expenses	\$	(45.38)	\$	(42.40)	\$ (2.98)
Net Operating Loss	\$	(16.69)	\$	(18.31)	\$ 1.62
Non-operating Revenue					
State Appropriations		8.52	\$	8.37	\$ 0.15
Local Appropriations		4.65	\$	4.47	\$ 0.18
Federal Grants and Contracts		7.3	\$	6.56	\$ 0.74
Proceeds Local Capital Appropriations		0.38	\$	0.42	\$ (0.04)
Proceeds from State Capital Appropriations		0.78	\$	1.57	\$ (0.79)
Other		0.24	\$	0.36	\$ (0.12)
Total Non-operating Revenue		21.87		21.75	\$ 0.12
Increase in Net Position	\$	5.18	\$	3.44	\$ 1.74
Increase in Net Position	\$	5.18	\$	3.62	\$ 1.56
Prior Period Adjustments					\$ -
Net Position, Beginning of Year		(1.01)	\$	(4.63)	\$ 3.62
Net Position, End of Year		4.17	\$	(1.01)	\$ 5.18

Revenues

Total revenues for FYE 2021 were \$50,568,229 of which the largest contributors were Federal grants and contracts, net tuition, state and local appropriations and grants/contracts. The overwhelming majority of Federal grant revenues are PELL Grants, which are Federal needs-based financial aid awarded to students. Resulting from the Federal response to the Covid-19 pandemic, the College received \$7,587,708 from the HEERF legislation.

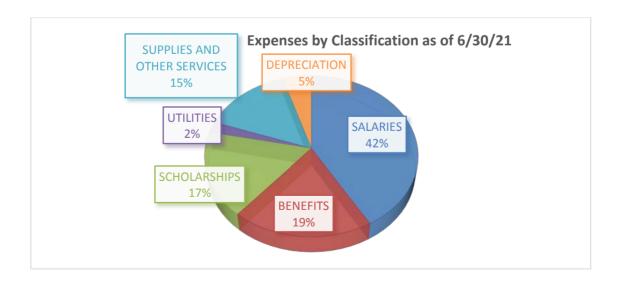
Similarly, the majority of the state grants and contracts component of operating revenue is SC Education Lottery Tuition Assistance. These state grants and revenue from students (21% of total revenues), account for the largest share on College revenue, exceeding 60% when combined. State and local appropriations make up approximately 28% of total revenues. The expectation is that revenue will continue to be primarily student-driven for the foreseeable future.



Expenses

Total expenses for FY2021 were \$45,384,091, an increase of \$2,979,476 or 7.0%, from FY2020. The largest expense component was for Scholarships. Based upon guidance from NACUBO, aid to students that was funded through HEERF funding, \$2,551,773, was required to be reported as a Scholarship expense, and NOT INCLUDED in the calculation of the Tuition discount. The only other significant increase, \$518,840, was incurred in order to increase the Allowance for Uncollectible Accounts.

All other expense components remained essentially unchanged.



Capital Assets and Debt Administration

The College's net investment in capital assets at June 30, 2021 was \$40,542,814, a net decrease of \$310,651 from the prior fiscal year. As a result of the disruption in the normal operational mode due to the pandemic, emphasis was on maintaining the institution's facility, with only a limited amount of capitalized investment in capital assets. The amount of the reduction was the difference between the amount capitalized and the yearly depreciation. There is capital project activity planned for FY22 and beyond, but the timing will be dependent on obtaining required approvals and the resilience of the supply chains.

The College has no current or long-term debt. Detailed information on capital asset activity can be found in Note 4 following the basic financial statements.

Economic Factors

Historically, the College's enrollment and economic conditions have been countercyclical. The steadily improving economy in South Carolina has put downward pressure on enrollment, which the College believes can be offset by improving student retention. The College has set its year-to-year retention benchmark at 70% for students starting in the fall of 2015. This represents a significant increase above the previous benchmark of approximately 60%. The College plans to leverage lessons learned in the deployment of its enrollment management system to improve retention.

Additionally, the institution is seeking to enhance enrollment by placing emphasis on those students that, for whatever reason, "Stop Out", those incumbent or unemployed workers that need to either upskill or reskill into more recession proof, high demand occupations, and the students seeking Dual Enrollment opportunities. The College must be constantly evaluating its instructional activities, changing them in a manner that provides higher value-added outcomes at lower unit cost to the institution. A lesson learned during the pandemic has revealed that most of the College's students' desire in-person instruction, but with flexibility. Seeking the proper blend of these student desires and the College's desired outcomes will be an activity that spans academic years for the foreseeable future.

Pre-pandemic enrollment was strong, showing growth year over year. However, it appears that the local, state, and national economies are, and very probably, will continue in slow recovery. The College recognizes that downward pressure could continue on its enrollment for a bit longer. Thus, the administration will seek strategic investment opportunities that offer positive mission and financial advancements, without accepting a sizeable amount of risk. Investments are anticipated in new academic offerings and services, but will be made with adequate caution.

State and local governmental appropriations are critical to the College's ability to meet its mission. Appropriations have been variable over the past several years and in reality, must be viewed as such in the future. Thus, the College must continue to stress accountability for its financial sustainability. The College is confident that its mission of *Building the Community through Maximizing Student Success* is the way to long-term sustainability.

BASIC FINANCIAL STATEMENTS AND NOTES

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Statement of Net Position June 30, 2021 and 2020

	June 30	June 30
	2021	2020
ASSETS		
CURRENT ASSETS	A 00.070.004	47.074.074
Cash and Cash Equivalents	\$ 20,279,391	17,071,971
Investments Accounts Receivable, Net	5,487,241 10,768,953	5,771,104 5,017,931
Other Assets	21,067	41,403
Other Assets		+1,+00
Total Current Assets	36,556,651	27,902,409
NONCURRENT ASSETS		
Accounts Receivable, Net	492,923	2,117,175
Capital Assets	40,542,814	40,853,465
Total Noncurrent Assets	41,035,737	42,970,640
Total Assets	77,592,389	70,873,049
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Items	6,001,504	4,008,633
OPEB Related Items	7,329,271	3,569,564
Total Deferred Outflows	13,330,775	7,578,197
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	1,802,741	2,542,150
Payroll Liabilities	46,500	30,562
Unearned Revenue	4,176,536	3,189,475
Funds Held for Others	10,558	50,659
Accrued Compensated Absences - Current	510,393	574,043
Total Current Liabilities	6,546,728	6,386,889
NONCURRENT LIABILITIES		
Accrued Compensated Absences - Long Term	525,595	646,045
Pension Liability	37,527,643	35,370,389
Other Post Employment Benefit Liability	34,363,132	30,435,051
Total Noncurrent Liabilities	72,416,370	66,451,485
Total Liabilities	78,963,098	72,838,374
DEFERRED INFLOWS OF RESOURCES		
Pension Related Items	2,707,245	2,075,069
OPEB Related Items	5,076,331	4,545,451
Total Deferred Inflows	7,783,576	6,620,520
NET POSITION		
Net Investment in Capital Assets	40,542,814	40,853,465
Unrestricted Net Position	(36,366,324)	(41,861,113)
Total Net Position	\$ 4,176,490	(1,007,648)

Statement of Revenues, Expenses, and Changes in Net Position For the Year Ended June 30, 2021 and 2020

	June 30	June 30	
	2021	2020	
REVENUES			
OPERATING REVENUES			
Student Tuition and Fees (Net of Scholarship Allowance of \$9,756,089)	\$ 10,516,772	10,802,348	
Federal Grants and Contracts	7,682,710	1,371,403	
State and Local Grants and Contracts	9,253,858	10,408,398	
Sales and Services of Educational Departments	634,436	859,381	
Auxiliary Enterprises	400,570	424,265	
Other Operating Revenues	208,459	228,840	
Total Operating Revenues	28,696,805	24,094,636	
EXPENSES			
OPERATING EXPENSES			
Salaries	18,868,559	19,712,454	
Benefits	8,873,939	8,227,805	
Scholarships	7,785,587	5,233,814	
Utilities	998,110	1,107,843	
Supplies and Other Services	6,699,591	6,104,521	
Depreciation	2,158,305	2,018,178	
Total Operating Expenses	45,384,091	42,404,615	
Operating Income (Loss)	(16,687,286)	(18,309,980)	
NONOPERATING REVENUES			
State Appropriations	8,524,723	8,365,360	
County Appropriations	4,645,450	4,468,023	
Investment Income	109,179	160,042	
Interest Income	4,911	7,543	
Unrealized Gain (Loss) on Investments	(126,199)	165,717	
Federal Grants and Contracts	7,302,031	6,561,944	
Other Nonoperating Revenues	253,866	207,694	
Net Nonoperating Revenues	20,713,960	19,936,323	
Income (Loss) Before Other Revenues, Expenses	4,026,674	1,626,343	
CAPITAL APPROPRIATIONS			
State Capital Appropriations	781,479	1,571,231	
Local Capital Appropriations	375,985	422,048	
	1,157,464	1,993,279	
Increase (Decrease) in Net Position	5,184,138	3,619,622	
NET POSITION			
Beginning of Year	(1,007,648)	(4,627,270)	
Net Assets - End of Year	\$ 4,176,490	(1,007,648)	

Statement of Cash Flows For the Year Ended June 30, 2021 and 2020

	June 30		June 30
		2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Tuition and Fees	\$	10,262,015	9,646,889
Federal, State and Local Grants and Contracts		13,163,805	10,999,778
Sales and Services of Educational Departments		634,436	859,381
Auxiliary Enterprise Charges		400,570	424,265
Other Receipts		106,077	226,549
Payments and Vendors		(8,416,774)	(6,537,867)
Payment for Scholarship		(7,785,587)	(5,233,814)
Payments for Employees		(26,414,848)	(27,732,865)
Net Cash Provided (Used) by Operating Activities		(18,050,306)	(17,347,684)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Appropriations		9,108,950	8,365,360
Local Appropriations		4,645,450	4,468,023
State, Local and Federal Grants, Gifts and Contracts		7,555,897	6,208,408
Net Cash Flows Provided by Noncapital Financing Activities		21,310,297	19,041,791
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
County Appropriations		375,985	422,048
State Appropriations		1,147,342	409,115
Purchase of Capital Assets		(1,847,654)	(5,180,688)
Net Cash Provided by Capital and Related Financing Activities		(324,327)	(4,349,525)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sales and Maturities of Investments		2,592,158	3,517,184
Purchase of Investments		(2,308,293)	(3,222,607)
Interest on Investments - Includes Other College Accounts Interest		(12,109)	167,584
Net Cash Flows Provided (Used) by Investing Activities		271,756	462,161
Net Increase (Decrease) in Cash		3,207,420	(2,193,256)
Cash and Equivalents - Beginning of Year		17,071,971	19,265,227
Cash and Equivalents- End of Year	\$	20,279,391	17,071,971

Statement of Cash Flows, Continued For the Year Ended June 30, 2021 and 2020

	June 30 2021		June 30	
			2020	
Reconciliation of Net Operating Revenue (Expenses) to Net Cash				
Provided (Used) by Operating Activities:				
Operating Income (Loss)	\$	(16,687,286)	(18,309,980)	
Adjustments to Reconcile Net Income (Loss) to Net Cash				
Depreciation Expense		2,158,305	2,018,178	
Pension and OPEB Related Items		1,495,813	886,277	
Change in Assets and Liabilities				
Receivables, Net		(5,076,862)	(970,430)	
Other Assets		20,335	-	
Accounts Payable		(739,409)	237,385	
Payroll Liability		15,938	(449,086)	
Compensated Absences		(184,100)	(967,342)	
Funds Held for Others		(40,100)	(78)	
Unearned Revenue		987,060	207,392	
Net Cash Provided (Used) by Operating Activities	\$	(18,050,306)	(17,347,684)	

Component Unit
York Technical College Foundation, Inc.
Statement of Financial Position

For the Year Ended June 30, 2021 and 2020

ASSETS		June 30, 2021	June 30, 2020
Cash and Cash Equivalents	\$	465,899	363,347
Investments	φ	14,083,416	11,168,722
Accounts Receivable		14,003,410	21,196
Contributions Receivable		699,231	755,036
Funds Held in Trust by Others		285,613	213,776
Other Assets		25,450	7,001
Property and Equipment			,,,,,,
Net of Accumulated Depreciation		682,084	698,851
Total Assets	\$	16,241,693	13,227,929
LIABILITIES AND NET ASSETS			
Liabilities:			
Accounts Payable and Accrued Expenses	\$	70,959	172,552
Total Liabilities		70,959	172,552
Net Assets:			
Net Assets without Donor Restrictions			
Invested in Property and Equipment		390,932	407,699
Net Assets without Donor Restrictions - Other		961,666	803,515
Net Assets with Donor Restrictions			
Invested in Property and Equipment		291,152	291,152
Net Assets with Donor Restrictions - Other		14,526,984	11,553,011
Total Net Assets		16,170,734	13,055,377
Total Liabilities and Net Assets	\$	16,241,693	13,227,929

Component Unit
York Technical College Foundation, Inc.
Statement of Activities
For the Year Ended June 30, 2021 and 2020

	Wi	let Assets thout Donor estrictions	Net Assets With Donor Restrictions	2021 Total	2020 Total
REVENUE, GAINS AND OTHER SUPPORT					
Contributions, Net	\$	52,071	391,543	443,614	270,899
Investment Income	•	1,311	2,914,703	2,916,014	473,127
Rental Income		76,279	-	76,279	76,279
Other Income		, -	-	, -	, -
Loss on Sale of Property		-	-	-	-
Net Assets Released from Restrictions:					
Satisfaction of Program Restrictions		332,273	(332,273)	<u>-</u>	
Total Revenues, Gains and Other Support	\$	461,934	2,973,973	3,435,907	820,305
EXPENSES					
Program Expenses		257,103	-	257,103	766,028
Support Services:					•
Management and General		63,447	-	63,447	93,130
Fund Raising		-		<u>-</u> _	6,125
Total Expenses		320,550		320,550	865,283
Change in Net Assets		141,384	2,973,973	3,115,357	(44,978)
Net Assets at Beginning of Year		1,211,214	11,844,163	13,055,377	13,100,355
Net Assets at End of Year	\$	1,352,598	14,818,136	16,170,734	13,055,377

Component Unit

York Technical College Foundation, Inc. Statement of Functional Expenses For the Year Ended June 30, 2021 and 2020

	Program Expenses		Management and General		2021 Total		2020 Total	
Scholarships	\$	71,694	\$	-	\$	71,694	\$	62,978
Program Services		68,617		-		68,617		581,553
Salaries - YTC President Supplement		65,000		-		65,000		65,000
Salaries - YTCF Staff		35,000		-		35,000		35,000
Bad Debt		-		26,975		26,975		25,000
Depreciation		16,767		-		16,767		16,767
Accounting & Auditing		-		14,981		14,981		20,493
Contractual Services		-		9,370		9,370		8,832
Information Technology		-		3,837		3,837		32,699
Insurance		-		3,671		3,671		3,293
Rental/Occupancy		-		3,000		3,000		3,000
Meeting Costs		-		792		792		278
Printing & Publications		-		608		608		293
Supplies		-		137		137		559
Miscellaneous		-		53		53		1,138
Bank Service Charges		25		23		48		526
Fundraising		-		-		-		6,125
Mini Grants		-		-		-		878
Travel		-		-		-		631
Postage								240
	\$	257,103	\$	63,447	\$	320,550	\$	865,283

Notes to the Financial Statements June 30, 2021 and 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations: York Technical College, a member institution of the South Carolina Technical College System, provides a range of educational programs to meet the needs of the adult population of York, Chester, and Lancaster counties. Included in this range of programs are technical and occupational associate degree, diploma and certificate curricula that are consistent with the needs of employers in the College's service area. As an integral part of this mission, the College provides a program of continuing education designed to satisfy the occupational demands of employers through retraining and upgrading the skills of individual employees. The College also provides a variety of developmental education programs, support services and offerings to assist students in meeting their personal and professional educational objectives.

Reporting Entity: The financial reporting entity, as defined by Government Accounting Standards Board (GASB), consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete.

During fiscal year 2012-13, the State of South Carolina implemented GASB Statement No. 61, The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34. As a result of this implementation, the College is reported as a discretely presented component unit on the State of South Carolina's Comprehensive Annual Financial Report. Discrete presentation entails reporting component unit financial data in one or more columns separate from the financial data of the primary government instead of blending the College's financial information into the State's financial information.

The Foundation is a legally separate, tax-exempt non-governmental component unit of the College. The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the College in support of its programs. The twenty-eight member board of the Foundation is self-perpetuating and consists of community leaders and friends of the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources or incomes thereon that the Foundation holds and invests are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College. The Foundation is reported in separate financial statements because of the difference in its reporting model, as further described below.

The Foundation is a private not-for-profit organization that reports its financial results under Financial Accounting Standards Board (FASB) Statements. Most significant to the Foundation's operations and reporting model are FASB Statement No. 116, Accounting for Contributions Received and Contributions Made, and FASB Statement No. 117, Financial Reporting for Not-for-Profit Organizations. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences. However, significant note disclosures to the Foundation's financial statements have been incorporated into the College's notes to the financial statements (see Note 17).

Financial statements for the Foundation can be obtained by mailing a request to York Technical College Foundation, 452 South Anderson Road, Rock Hill, South Carolina 29730.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

The financial reporting entity, as defined by the Governmental Accounting Standards Board (GASB) consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete. Accordingly, the financial statements include the accounts of York Technical College as the primary government.

<u>Financial Statements</u>: The financial statement presentation for the College meets the requirements of Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, and GASB Statement No. 35, Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities.

For 2013, the College implemented Governmental Accounting Standard Board (GASB) Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position." GASB Statement No. 63 identifies net position, rather than net assets, as the residual of all other elements presented in a statement of financial position.

GASB Statement No. 67, *Financial Reporting for Pension Plans*, replaces the requirements of Statement No. 25 and Statement No. 50, and is effective for fiscal periods beginning after June 15, 2013. This statement affects the reporting requirements for pension plans that administer benefits. The South Carolina Public Employee Benefit Authority (PEBA) implemented the changes required by this standard in the South Carolina Retirement Systems' financial statements issued for the fiscal year ended June 30, 2014. This statement has no direct impact on the reporting requirements of employers participating in the plans, including the financial statements of the College.

GASB Statement No. 68, Accounting and Financial Reporting for Pensions, replaced the requirements of Statement No. 27, and is effective for fiscal periods beginning after June 15, 2014. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. York Technical College implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015.

In fiscal year 2014, the College implemented GASB Statement No. 65, Items Previously Reported as Assets and Liabilities. This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognized as outflows of resources or inflow of resources. Requirements of this Statement are effective for financial statements whose fiscal year begins after December 15, 2012.

Basis of Accounting: For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. Student tuition and auxiliary enterprise fees are presented as net of scholarships and fellowships applied to student accounts, while stipends and other payments made directly are presented as scholarship expenses. All significant intra-institutional transactions have been eliminated.

<u>Cash and Cash Equivalents</u>: For purposes of the statement of cash flows, the College considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Funds invested through the State of South Carolina State Treasurer's Office are considered cash equivalents.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

<u>Investments</u>: Deposits and investments for the College are governed by the South Carolina Code of Laws, Section 11-9-660, "Investments of Funds." GASB Statement No. 40, Deposits and Investment Risk Disclosures – an amendment to GASB Statement No. 3 requires disclosures related to deposit risks (e.g. custodial credit risk), investment risks (e.g. credit risk, which included custodial credit risk and concentrations of credit risks) and interest rate risk.

The College accounts for its investments at fair value in accordance with GASB Codification I50, *Investments*. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment income in the statement of revenues, expenses and changes in net assets.

Accounts Receivable: Accounts receivable consists of tuition and fee charges to students, and auxiliary enterprise services provided to students, faculty and staff. Accounts receivable also include amounts due from the Federal government, state and local governments, or private sources in connection with reimbursement of allowable expenditures made pursuant to the College's grants and contracts. Accounts receivables are recorded net of estimated uncollectible amounts. Detail for accounts receivable are discussed in Note 3. Allowances for losses for student accounts receivables is established based upon actual losses experienced in prior years and evaluations of the current account portfolio. At June 30, 2021 and 2020, the allowance for uncollectible student accounts was \$2,019,908 and \$1,501,068 respectively.

Inventories: Inventories for internal use are valued at cost. Inventories for resale are carried at the lower of cost or market on the first-in, first-out ("FIFO") basis.

<u>Capital Assets</u>: Capital assets are recorded at cost at the date of acquisition or fair market value at the date of donation in the case of gifts. The College follows capitalization guidelines established by the State of South Carolina. All land is capitalized, regardless of cost. Qualifying improvements that rest in or on the land itself are recorded as depreciable land improvements. Major additions, renovations and other improvements that add to the usable space, prepare existing buildings for new uses, or extend the useful life of an existing building are capitalized. The College capitalizes movable personal property with a unit value in excess of \$5,000 and a useful life in excess of two years and depreciable land improvements, buildings and improvements, and intangible assets costing in excess of \$100,000.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 15 to 50 years for buildings, improvements, and land improvements, and 2 to 25 years for machinery, equipment, and vehicles. Effective July 1, 2011 the college adopted a monthly depreciation convention for the straight-line method consistent with the policy of the State of South Carolina.

<u>Unearned Revenues and Deposits:</u> Unearned revenues include amounts received for tuition, fees, and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

<u>Compensated Absences</u>: Employee vacation pay expense is accrued at year-end for financial statement purposes. The liability and expense incurred are recorded at year-end as a component of long-term liabilities as well as short-term liabilities in the statement of net position and as a component of benefit expenses in the statement of revenues, expenses, and changes in net position.

Net Position: The College's net position is classified as follows:

Net investment in capital assets: This represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investments in capital assets.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Restricted net position - expendable: Restricted expendable net position includes resources in which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Restricted net position - nonexpendable: Nonexpendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Unrestricted net position: Unrestricted net position represents resources derived from student tuition and fees, appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College, and may be used at the discretion of the governing board to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty and staff.

The College policy for applying expenses that can be used as both restricted and unrestricted resources is delegated to the departmental administrative level. General practice is to first apply the expense to restricted resources and then to unrestricted resources.

Income Taxes: The College is exempt from income taxes under the Internal Revenue Code.

<u>Classification of Revenues</u>: The College has classified its revenues as either operating or non- operating revenues according to the following criteria:

Operating revenues: Operating revenues generally result from exchange transactions to provide goods or services related to the College's principal ongoing operations. These revenues include (1) student tuition and fees received in exchange for providing educational services and other related services to students; (2) receipts for scholarships where the provider has identified the student recipients; (3) fees received from organizations and individuals in exchange for miscellaneous goods and services provided by the College; and (4) grants and contracts that are essentially the same as contracts for services that finance programs the College would not otherwise undertake.

Non-operating revenues: Non-operating revenues include activities that have the characteristics of non-exchange transactions. These revenues include gifts and contributions, appropriations, investment income, and any grants and contracts that are not classified as operating revenue or restricted by the grantor to be used exclusively for capital purposes. Beginning fiscal year 2010, the SC Comptroller General's Office mandated that PELL grants be reclassified from operating revenue to non-operating revenue.

<u>Sales. Services of Educational.</u> and <u>Other Activities</u>: Revenues from sales and services of educational and other activities generally consist of amounts received from instructional, laboratory, research, and public service activities that incidentally create goods and services which may be sold to students, faculty, staff, and the public. The College receives such revenues primarily from the Child Development Center.

<u>Auxiliary Enterprises and Internal Service Activities:</u> Auxiliary enterprise revenues primarily represent revenues generated by the bookstore. Revenues of internal service and the related expenditures of College departments have been eliminated. Effective March 1, 2004, Barnes and Noble assumed the operations of the Bookstore.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 2 - DEPOSITS AND INVESTMENTS

DEPOSITS:

State Law requires that a bank or savings and loan association receiving State funds must secure the deposits by deposit insurance, surety bonds, collateral securities, or letters of credit to protect the State against any loss.

Custodial Credit Risk:

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the College will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party if the counterparty to the deposit transaction fails.

The College's policy concerning custodial credit risk is to invest surplus funds of the College in a manner that maximizes return to the College while safeguarding against any potential of loss. The College President is authorized to invest surplus funds or may delegate this responsibility to the Vice President of Business Services. Investments shall be selected from financial institutions on a competitive basis through an informal bidding process (and all in compliance with State laws and regulations). All investments shall be protected by FDIC, FSLIC, and/or have sufficient pledged securities as collateral.

The deposits for York Technical College were \$21,391,222 at June 30, 2021 and \$17,944,102 at June 30, 2020; none were exposed to custodial credit risk as uninsured and uncollateralized. In addition, all of these deposits were collateralized with securities held by the pledging institution in the College's name. The SC State Treasurer's Office monitors the collateral sufficiency and requires that collateral equal a minimum of 102% of deposits.

Foreign Currency Risk:

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. York Technical College does not maintain deposits that are denominated in a currency other than the United States dollar; therefore, the College is not exposed to this risk.

INVESTMENTS:

The South Carolina Code of Laws, Section 11-9-660, authorizes the College, to invest in obligations of the United States and its agencies, obligations of the State of South Carolina and its political subdivisions, collateralized or federally insured certificates of deposit, and collateralized repurchase agreements.

The College has investments at June 30, 2021 and 2020, invested in government backed securities in compliance with the State of South Carolina Code of Laws.

As of June 30, 2021, the investment balances were as follows:

	Cai	rrying Value_	Maturity	Interest Rate	Credit Rating
Fixed Income Securities:					
U.S. Treasury Bonds & Notes	\$	4,449,831	9/13/21-4/24/26	1.77	N/A
U. S. Government Agencies		1,037,410	9/30/21-12/31/25	2.50	N/A
	\$	5,487,241			

As of June 30, 2020, the investment balances were as follows:

	Cai	rrying Value	Maturity	Interest Rate	Credit Rating
Fixed Income Securities:					
U.S. Treasury Bonds & Notes	\$	4,339,425	9/17/20-4/24/26	2.33	N/A
U. S. Government Agencies		1,431,679	9/30/20-11/15/24	1.96	N/A
	\$	5,771,104			

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 2 - DEPOSITS AND INVESTMENTS, Continued

Custodial Credit Risk:

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the College will not be able to recover the value of investments or collateral securities that are in the possession of an outside party.

The College's policy concerning custodial credit risk is to invest surplus funds of the College in a manner that maximizes return to the College while safeguarding against any potential of loss. The College President is authorized to invest surplus funds or may delegate this responsibility to the Vice President for Business Services. Investments shall be selected from financial institutions on a competitive basis through an informal bidding process (and all in compliance with State laws and regulations). All investments shall be protected by FDIC, FSLIC, and/or have sufficient pledged securities as collateral.

Credit Risk:

Credit risk is the risk that an insurer or other counterparty to an investment will not fulfill its obligations.

The College's policy concerning credit risk is to invest surplus funds of the College in a manner that maximizes return to the College while safeguarding against any potential of loss. The College President is authorized to invest surplus funds or may delegate this responsibility to the Executive Vice President. Investments shall be selected from financial institutions on a competitive basis through an informal bidding process (and all in compliance with State laws and regulations). All investments shall be protected by FDIC, FSLIC, and/or have sufficient pledged securities as collateral.

Concentration of Credit Risk:

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The College does not have a policy on concentration of credit risk.

Interest Rate Risk:

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. It occurs because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase, thereby affording potential purchasers more favorable rates on essentially equivalent securities.

The College does not have a policy concerning interest rate risk.

The College has adopted applicable accounting standards for its financial assets and liabilities which clarify that fair value is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The College utilizes market data or assumptions that market participants would use in pricing the asset or liability. The standards establish a three tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions. The College's investments held by the State Treasurer are categorized as Level 3. The College's other investments consist entirely of mutual funds and other investments with readily determinable fair values in an active market. These investments have been categorized as Level 1.

The College does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 2 - DEPOSITS AND INVESTMENTS, Continued

Foreign Currency Risk:

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. York Technical College does not maintain investments that are denominated in a currency other than the United States dollar, and therefore, the College is not exposed to this risk.

The following schedule reconciles cash and investments as reported on the Statement of Net Position to footnote disclosure provided for deposits and investments.

	 2021	2020
STATEMENT OF NET POSITION:	 	
Cash and Cash Equivalents	\$ 20,279,391	17,071,971
Investments	 5,487,241	5,771,104
	25,766,632	22,843,075
DEPOSITS AND INVESTMENTS NOTE:		
Cash on Hand	1,279	1,279
Carrying Amount of Deposits, Net	20,278,112	17,070,692
Carrying Amounts of Investments	 5,487,241	5,771,104
Total	\$ 25,766,632	22,843,075

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2021 and June 30, 2020, are summarized as follows:

	2021	2020
\$	4,602,041	3,615,454
	(2,019,908)	(1,501,068)
	5,560,027	819,337
	2,971,539	3,231,196
	148,178	970,187
	11,261,876	7,135,106
	10,768,953	5,017,931
*	492,923	2,117,175
\$	11,261,876	7,135,106
		\$ 4,602,041 (2,019,908) 5,560,027 2,971,539 148,178 11,261,876 10,768,953 * 492,923

Allowances for losses for student accounts receivable are established based upon actual losses experienced in prior years and evaluations of the current account portfolio. At June 30, 2021, the allowance for uncollectible student accounts is valued at \$2,019,908 and at June 30, 2020, the allowance for uncollectible student accounts is valued at \$1,501,068.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 4 - CAPITAL ASSETS

The activities in the College's capital assets for the fiscal year ended June 30, 2021 are as follows:

	Beginning				Ending
	Balance				Balance
	 June 30, 2020	Increases	Decreases	Transfers	June 30, 2021
Capital Assets Not Being Depreciated:					
Land and Improvements	\$ 1,258,375	=	-	-	1,258,375
Construction In Progress	 11,729,194	1,163,526	<u> </u>	(444,078)	12,448,642
Total Capital Assets Not Being Depreciated	12,987,569	1,163,526	-	(444,078)	13,707,016
Capital Assets Being Depreciated:					
Buildings and Improvements	43,009,622	=	-	306,028	43,315,650
Machinery, Equipment and Other	8,395,218	570,365	(78,643)	-	8,886,940
Vehicles	1,000,018	113,763	(15,299)	-	1,098,482
Depreciable Land Improvements	 9,050,467			138,049	9,188,516
Total Other Capital Assets At Historical Cost	 61,455,325	684,128	(93,942)	444,078	62,489,588
Less Accumulated Depreciation For:					
Buildings And Improvements	(23,934,120)	(1,048,248)	-	-	(24,982,368)
Machinery, Equipment And Other	(6,203,057)	(467,229)	78,643	-	(6,591,642)
Vehicles	(665,909)	(100,869)	15,299	-	(751,479)
Depreciable Land Improvements	 (2,786,342)	(541,959)			(3,328,301)
Total Accumulated Depreciation	(33,589,428)	(2,158,305)	93,942		(35,653,790)
Total Capital Assets Being Depreciated	 27,865,897	(1,474,177)	<u> </u>	444,078	26,835,799
Capital Assets, Net	\$ 40,853,466	(310,651)	-	-	40,542,814

There were no losses on the disposal of fixed assets in the fiscal year ended June 30, 2021.

The activities in the College's capital assets for the fiscal year ended June 30, 2020 are as follows:

Capital Assets Not Being Depreciated: Land and Improvements \$ 1,258,375 - - - - 1,258,37 Construction In Progress 9,539,370 3,704,662 - (1,514,838) 11,729,19 Total Capital Assets Not Being Depreciated 10,797,745 3,704,662 - (1,514,838) 12,987,56 Capital Assets Being Depreciated: Buildings and Improvements 41,742,174 - - 1,267,448 43,009,62		Beginning				Ending
Capital Assets Not Being Depreciated: Land and Improvements \$ 1,258,375 - - - - 1,258,37 Construction In Progress 9,539,370 3,704,662 - (1,514,838) 11,729,19 Total Capital Assets Not Being Depreciated 10,797,745 3,704,662 - (1,514,838) 12,987,56 Capital Assets Being Depreciated: Buildings and Improvements 41,742,174 - - 1,267,448 43,009,62		Balance				Balance
Land and Improvements \$ 1,258,375 - - - 1,258,375 Construction In Progress 9,539,370 3,704,662 - (1,514,838) 11,729,19 Total Capital Assets Not Being Depreciated 10,797,745 3,704,662 - (1,514,838) 12,987,56 Capital Assets Being Depreciated: Buildings and Improvements 41,742,174 - - 1,267,448 43,009,62	J	lune 30, 2019	Increases	Decreases	Transfers	June 30, 2020
Construction In Progress 9,539,370 3,704,662 - (1,514,838) 11,729,19 Total Capital Assets Not Being Depreciated 10,797,745 3,704,662 - (1,514,838) 12,987,56 Capital Assets Being Depreciated: Buildings and Improvements 41,742,174 - 1,267,448 43,009,62	3eing Depreciated:					
Total Capital Assets Not Being Depreciated 10,797,745 3,704,662 - (1,514,838) 12,987,56 Capital Assets Being Depreciated: Buildings and Improvements 41,742,174 - 1,267,448 43,009,62	ments \$	1,258,375	-	-	=	1,258,375
Capital Assets Being Depreciated: Buildings and Improvements 41,742,174 - 1,267,448 43,009,62	ogress	9,539,370	3,704,662	-	(1,514,838)	11,729,194
Buildings and Improvements 41,742,174 - 1,267,448 43,009,62	sets Not Being Depreciated	10,797,745	3,704,662		(1,514,838)	12,987,569
	g Depreciated:					
Machinery Equipment and Other 7,000,404 4,004,000 (04,070)	ovements	41,742,174	=	-	1,267,448	43,009,622
Machinery, Equipment and Other 7,032,431 1,394,066 (31,279) - 8,395,21	nent and Other	7,032,431	1,394,066	(31,279)	=	8,395,218
Vehicles 918,058 81,960 1,000,01		918,058	81,960	-	=	1,000,018
Depreciable Land Improvements 8,803,077 - - 247,390 9,050,46	Improvements	8,803,077		<u> </u>	247,390	9,050,467
Total Other Capital Assets At Historical Cost 58,495,740 1,476,026 (31,279) 1,514,838 61,455,32	tal Assets At Historical Cost	58,495,740	1,476,026	(31,279)	1,514,838	61,455,325
Less Accumulated Depreciation For:	Depreciation For:					
Buildings And Improvements (22,892,458) (1,041,662) (23,934,12	rovements	(22,892,458)	(1,041,662)	-	=	(23,934,120)
Machinery, Equipment And Other (5,886,704) (347,633) 31,279 - (6,203,05	nent And Other	(5,886,704)	(347,633)	31,279	-	(6,203,057)
Vehicles (569,782) (96,127) (665,90		(569,782)	(96,127)	-	=	(665,909)
Depreciable Land Improvements (2,253,586) (532,756) (2,786,34	Improvements	(2,253,586)	(532,756)			(2,786,342)
Total Accumulated Depreciation (31,602,530) (2,018,178) 31,279 - (33,589,42	ed Depreciation	(31,602,530)	(2,018,178)	31,279		(33,589,428)
Total Capital Assets Being Depreciated 26,893,210 (542,152) - 1,514,838 27,865,89	sets Being Depreciated	26,893,210	(542,152)		1,514,838	27,865,897
Capital Assets, Net \$ 37,690,955 3,162,510 40,853,46	\$	37,690,955	3,162,510			40,853,465

There were no losses on the disposal of fixed assets in the fiscal year ended June 30, 2020.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 5 - PENSION PLAN(S)

The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, is the state agency responsible for the administration and management of the various Retirement Systems and retirement programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the Systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with generally accepted accounting principles (GAAP). For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR is publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is in the comprehensive annual financial report of the state.

Plan Description

The South Carolina Retirement System (SCRS), a cost–sharing multiple-employer defined benefit pension plan, was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to SCRS to certain newly hired employees of state agencies, institutions of higher education, public school districts and individuals first elected to the S.C. General Assembly at or after the general election in November 2012. State ORP participants direct the investment of their funds into an account administered by one of four third party service providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the four third party service providers. For this reason, State ORP assets are not part of the retirement systems' trust funds for financial statement purposes.

The South Carolina Police Officers Retirement System (PORS), a cost–sharing multiple-employer defined benefit pension plan, was established July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits to police officers and firefighters. PORS also covers peace officers, coroners, probate judges and magistrates.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 5 - PENSION PLAN(S), Continued

Plan Descriptions, Continued

In addition to the plans described above, PEBA also administers three single employer defined benefit pension plans, which are not covered in this report. They are the Retirement System for Members of the General Assembly of the State of South Carolina (GARS), the Retirement System for Judges and Solicitors of the State of South Carolina (JSRS), and the South Carolina National Guard Supplemental Retirement Plan (SCNG).

Membership

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each system is presented below.

SCRS - Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees, teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

State ORP - As an alternative to membership in SCRS, certain newly hired state, public school, and higher education employees and individuals first elected to the S.C. General Assembly at or after the November 2012 general election have the option to participate in the State ORP. Contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employer to the member's account with the ORP service provider for the employee contribution and a portion of the employer contribution (5 percent). A direct remittance is also required to SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by SCRS.

PORS - To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; be a coroner in a full-time permanent position; or be a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

Benefits

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation. A brief summary of benefit terms for each system is presented below.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 5 - PENSION PLAN(S), Continued

Benefits, Continued

SCRS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

The benefit formula for full service retirement annuity effective since July 1, 1989 for the SCRS is 1.82 percent of an employee's average final compensation (AFC) multiplied by the number of years of credited service. For Class Two members, AFC is the average annual earnable compensation during 12 consecutive quarters and includes an amount for up to 45 days termination pay at retirement for unused annual leave. For Class Three members, AFC is the average annual earnable compensation during 20 consecutive quarters and termination pay for unused annual leave at retirement is not included.

PORS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statue. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year through July 1, 2022.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 5 - PENSION PLAN(S), Continued

Benefits, Continued

If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

Contributions

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85 percent. If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 85 percent, then the board, effective on the following July first, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85 percent. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85 percent, then effective on the following July first, and annually thereafter as necessary, the board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85 percent.

Effective July 1, 2020, employees participating in the SCRS were required to contribute 9.00% of all earnable compensation. The employer contribution rate for SCRS was 21.81%. Included in the total SCRS employer contribution rate is a base retirement contribution of 15.41%, 0.15% for the incidental death benefit program and a 6.25% surcharge that will fund retiree health and dental insurance coverage. The College's actual retirement and incidental death benefit program contributions for participating employees and TERI participants to the SCRS for the years ended June 30, 2021, 2020, and 2019 were:

	Retir	rement	Incide	ntal D	eath
Fiscal Year Ended	Rate	Contribution	Rate		ontribution
2021	15.410%	\$ 2,154,491	0.15%	\$	20,972
2020	15.410%	\$ 2,111,031	0.15%	\$	20,549
2019	14.410%	\$ 1,967,908	0.15%	\$	20,485

Effective July 1, 2020, employees participating in the PORS were required to contribute 9.75% of all earnable compensation. The employer contribution rate for PORS was 24.49%. Included in the total PORS employer contribution rate is a base retirement contribution of 17.84%, 0.20% for the incidental death benefit program, 0.20% for the accidental death program, and a 6.25% surcharge that will fund retiree health and dental insurance coverage. The College's actual retirement, incidental death benefit program and accidental death program contributions to the PORS for the years ended June 30, 2021, 2020, and 2019 were:

	Reti	Retirement			Incidental Death			Accidental Death			
Fiscal Year Ended	Rate	C	ontribution	F	Rate	Co	ntribution	R	ate	Co	ntribution
2021	17.840%	\$	50,021		0.20%	\$	561		0.20%	\$	561
2020	17.840%	\$	32,074		0.20%	\$	360	(0.20%	\$	359
2019	16.840%	\$	34,596		0.20%	\$	411		0.20%	\$	411

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 5 - PENSION PLAN(S), Continued

Contributions, Continued

Employee and employer contributions to the State ORP are at the same rates as SCRS. Employees participating in the State ORP were required to contribute 9.00% of all earnable compensation. In fiscal year 2021, the employer contribution rate for the State ORP was 15.56% plus the retiree surcharge of 6.250% that will fund retiree health and dental insurance coverage. Of the 15.56% employer contribution rate, the employer remits 5.00% directly to the participant's ORP account and the remaining 10.41% retirement contribution and 0.15% incidental death benefit program contribution amounts are remitted to SCRS.

For fiscal year 2021, total contributions requirements to the ORP were approximately \$354,686 (excluding the surcharge) from the College as employer.

Actuarial Assumptions and Methods

Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2015.

The June 30, 2020, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by the Systems' consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on an actuarial valuation performed as of July 1, 2019. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2020, using generally accepted actuarial principles.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2020.

	SCRS	PORS	
Actuarial Cost Method	Entry age normal	Entry age normal	
Investment Rate of Return 1	7.25%	7.25%	
Projected Salary Increases	3.0% to 12.5% (varies 1 by service)	3.5% to 9.5% (varies by service)	1
Benefit Adjustments	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually	
1 Includes inflation at 2.25%			

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 5 - PENSION PLAN(S), Continued

Actuarial Assumptions and Methods, Continued

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2019.

	_	SCRS	PORS	
Actuarial Cost Method		Entry age normal	Entry age normal	
Investment Rate of Return	1	7.25%	7.25%	
Projected Salary Increases		3.0% to 12.5% (varies 1 by service)	3.5% to 9.5% (varies by service)	1
Benefit Adjustments		Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually	

¹ Includes inflation at 2.25%

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2016 Public Retirees of South Carolina Mortality table (2016 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2016.

Assumptions used in the determination of the June 30, 2020, TPL are as follows.

Former Job Class	Males	Females
Educators	2016 PRSC Males multiplied by 92%	2016 PRSC Females multiplied by 98%
General Employees and Members of the General Assembly	2016 PRSC Males multiplied by 100%	2016 PRSC Females multiplied by 111%
Public Safety and Firefighters	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%

Assumptions used in the determination of the June 30, 2019, TPL are as follows.

Former Job Class	Males	<u>Females</u>
Educators	2016 PRSC Males multiplied by 92%	2016 PRSC Females multiplied by 98%
General Employees and Members of the General Assembly	2016 PRSC Males multiplied by 100%	2016 PRSC Females multiplied by 111%
Public Safety and Firefighters	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 5 - PENSION PLAN(S), Continued

Net Pension Liability

The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of June 30, 2020, for SCRS and PORS are presented below.

				Plan Fiduciary		
	Total	Plan	Employers'	Net Position as a	College	College
	Pension	Fiduciary Net	Net Pension	Percentage of the	Proportionate	Portion of
Plan	 Liability	Pension	Liability (Asset)	Total Pension Liability	Share	NPL
SCRS	\$ 51,844,187,763	26,292,418,682	25,551,769,081	50.7%	0.144816%	37,003,066
PORS	8,046,386,629	4,730,174,642	3,316,211,987	58.8%	0.015819%	524,577
					•	37,527,643

The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of June 30, 2019, for SCRS and PORS are presented below.

				Plan Fiduciary		
	Total	Plan	Employers'	Net Position as a	College	College
	Pension	Fiduciary Net	Net Pension	Percentage of the	Proportionate	Portion of
Plan	 Liability	Pension	Liability (Asset)	Total Pension Liability	Share	NPL
SCRS	\$ 50,073,060,067	27,238,916,138	22,834,144,118	54.4%	0.153024%	34,941,799
PORS	7,681,749,768	4,815,808,554	2,865,941,214	62.7%	0.014955%	428,610
						35,370,389

The total pension liability is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements at http://www.peba.sc.gov/assets/financialsretirement.pdf. The net pension liability is disclosed in accordance with the requirements of GASB 67 in the Systems' notes to the financial statements and required supplementary information. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the plans' funding requirements.

A plan's Net Pension Liability (NPL) is determined by reducing its total pension liability by its fiduciary net position. Total pension liability is defined by the Governmental Accounting Standards Board (GASB) as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service in conformity with the requirements of GASB 67. Total pension liability may be impacted annually by the cost of service accrued by participants, interest accrued on the liability, the impact of benefit and assumption changes, the cost of benefit payments, and the difference between expected and actual plan experience. The most significant impact on a plan's fiduciary net position relates to the rate of return on its investments. Consequently, significant fluctuations in the market value of investments substantially affect the fiduciary net position component of the NPL calculation, and as a result, cause a direct change in the NPL.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 5 - PENSION PLAN(S), Continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021 the College reported liabilities of \$37,003,066 and \$524,577 for its proportionate share of the net pension liabilities of SCRS and PORS, respectively. The net pension liability was measured as of June 30, 2020. The College's proportion of the net pension liability was based on the College's share of contributions to the pension plan relative to the contributions of all participating employers. At June 30, 2020, the College's SCRS and PORS proportion was 0.144816% and .015819%, respectively.

For the year ended June 30, 2021, the College recognized net pension expenses of \$3,301,788 and \$93,181 for SCRS and PORS, respectively.

At June 30, 2021, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

		SCRS	PORS	Total
Deferred Outflows of Resources	\ <u></u>			
Liability Experience	\$	426,966	11,149	438,115
Assumption Changes		45,335	6,402	51,737
Investment Experience		2,721,885	53,717	2,775,602
Change in Proportion and Difference				
Between Employer Contribution				
and Proportionate Share of				
Plan Contributions		96,833	52,815	149,648
College Contributions Subsequent				
to the Measurement Date		2,535,259	51,143	2,586,402
TOTAL		5,826,278	175,226	6,001,504
Deferred Inflows of Resources				
Liability Experience		139,924	2,309	142,233
Investment Experience		-	-	-
Change in Proportion and Difference				
Between Employer Contribution				
and Proportionate Share of				
Plan Contributions		2,560,727	4,285	2,565,012
TOTAL	\$	2,700,651	6,594	2,707,245

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 5 - PENSION PLAN(S), Continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, Continued

The \$2,535,259 and \$51,143 reported as deferred outflows of resources related to pensions resulting from the College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	 SCRS	PORS		
2021	\$ (403,681)	38,593		
2022	(179,828)	37,755		
2023	479,310	26,292		
2024	694,566	14,850		
2025	-	-		
Thereafter	-	-		

At June 30, 2020 the College reported liabilities of \$34,941,799 and \$428,610 for its proportionate share of the net pension liabilities of SCRS and PORS, respectively. The net pension liability was measured as of June 30, 2019. The College's proportion of the net pension liability was based on the College's share of contributions to the pension plan relative to the contributions of all participating employers. At June 30, 2019, the College's SCRS and PORS proportion was 0.153024% and .014955%, respectively.

For the year ended June 30, 2020, the College recognized net pension expenses of \$3,321,305 and \$84,835 for SCRS and PORS, respectively.

At June 30, 2020, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

		SCRS	PORS	Total	
Deferred Outflows of Resources					
Liability Experience	\$	24,019	8,813	32,832	
Assumption Changes		704,128	16,997	721,125	
Investment Experience		309,352	5,434	314,786	
Change in Proportion and Difference					
Between Employer Contribution					
and Proportionate Share of					
Plan Contributions		342,410	51,995	394,405	
College Contributions Subsequent		0.540.000	00.700	0.545.405	
to the Measurement Date		2,512,692	32,793	2,545,485	
TOTAL		3,892,601	116,032	4,008,633	
	<u> </u>				
Deferred Inflows of Resources					
Liability Experience		251,016	3,168	254,184	
Investment Experience		-	-	-	
Change in Proportion and Difference					
Between Employer Contribution					
and Proportionate Share of		4 044 000	0.077	4 000 005	
Plan Contributions		1,811,908	8,977	1,820,885	
TOTAL	\$	2,062,924	12,145	2,075,069	
		-			

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 5 - PENSION PLAN(S), Continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, Continued

The \$2,512,692 and \$32,793 reported as deferred outflows of resources related to pensions resulting from the College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	-	SCRS	PORS		
2020	\$	566,091	31,846		
2021		(796,954)	17,335		
2022		(555,636)	16,695		
2023		103,482	5,219		
2024		-	-		
Thereafter		-	-		

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments, as used in the July 1, 2015, actuarial valuations, was based upon the 30 year capital markets outlook at the end of the third quarter 2015, The long-term expected rate of returns represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the revised target asset allocation adopted at the beginning of the 2019 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table on the following page. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the total pension liability includes a 5.0 percent real rate of return and a 2.25 percent inflation component.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 5 - PENSION PLAN(S), Continued

Long-term Expected Rate of Return, Continued

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Allocation/Exposure	_	Policy Target	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
Global Equity		51.0%		
Global Public Equity	1, 2	35.0%	7.81%	2.73%
Private Equity	2, 3	9.0%	8.91%	0.80%
Equity Options Strategies	1	7.0%	5.09%	0.36%
Real Assets		12.0%		
Real Estate (Private)	2, 3	8.0%	5.55%	0.44%
Real Estate (REITs)	2	1.0%	7.78%	0.08%
Infrastructure (Private)	2, 3	2.0%	4.88%	0.10%
Infrastructure (Public)	2	1.0%	7.05%	0.70%
Opportunistic		8.0%		
Global Tactical Asset Allocation	1	7.0%	3.56%	0.25%
Other Opportunistic Strategies		1.0%	4.41%	0.04%
Credit		15.0%		
High Yield Bonds/Bank Loans	1, 2	4.0%	4.21%	0.17%
Emerging Markets Debt		4.0%	3.44%	0.14%
Private Debt	2, 3	7.0%	5.79%	0.40%
Rate Sensitive		14.0%		
Core Fixed Income	1	13.0%	1.60%	0.21%
Cash and Short Duration (Net)		1.0%	0.56%	0.01%
Total Expected Return	4	100.0%		5.80%
Inflation for Actuarial Purposes				2.25%
				8.05%

¹ Portable Alpha Strategies will be capped at 12% of total assets; Hedge funds (including all hedge funds used in portable alpha implementation) capped at 20% of total assets.

² The target w eights to Private Equity, Private Debt, Private Infrastructure and Private Real Estate will be equal to their actual w eights as of prior month end. Private Equity and Public Equity combine for 44 percent of entire portfolio. Private Debt and High Yield/Bank Loans combine for 11 percent of the entire portfolio. Private Infrastructure and Public Infrastructure combine for 3 percent of the entire portfolio. Private Real Estate and Real Estate (REITs) combine for 9 percent of entire portfolio.

³ RSIC staff and Consultant will notify the Commission if Private Markets assets exceed 25% of total assets.

⁴ The expected return for each of the Portable Alpha asset classes includes the expected return attributed to the Overlay Program. For benchmarking purposes there is a 10% weight assigned to Portable Alpha Hedge Funds in the Policy Benchmark.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 5 - PENSION PLAN(S), Continued

Discount Rate

The discount rate used to measure the TPL was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Sensitivity Analysis

The following table presents the College's proportionate share of the SCRS and PORS net pension liability calculated using the discount rate of 7.25 percent, as well as what the College's respective net pension liability would be if it were calculated using a discount rate of 1.00 percent lower (6.25 percent) or 1.00 percent higher (8.25 percent) than the current rate as of June 30, 2020.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate								
1% Decrease Current Discount 1% Increase								
Plan		(6.25%)	_	Rate (7.25%)	_	(8.25%)		
SCRS	\$	45,860,763		37,003,066		29,606,782		
PORS		694,479		524,577		388,194		

The following table presents the College's proportionate share of the SCRS and PORS net pension liability calculated using the discount rate of 7.25 percent, as well as what the College's respective net pension liability would be if it were calculated using a discount rate of 1.00 percent lower (6.25 percent) or 1.00 percent higher (8.25 percent) than the current rate as of June 30, 2019.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate									
1% Decrease Current Discount 1% Increase									
Plan	(6.25%)	Rate (7.25%)	(8.25%)						
SCRS	\$ 44,019,35	34,941,799	27,366,053						
PORS	580,86	69 428,610	303,872						

Additional Financial and Actuarial Information

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the Systems' http://www.peba.sc.gov/assets/financialsretirement.pdf (including the unmodified audit opinion on the financial statements). Additional actuarial information is available in the http://www.peba.sc.gov/assets/06.30.2017-accounting-valuation-report_final-for-webpage.pdf .

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 6 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS AND OTHER EMPLOYEE BENEFITS

Description of the Entity

The South Carolina General Assembly as part of Act No. 278 created the South Carolina Public Employee Benefit Authority (PEBA) effective July 1, 2012. PEBA – Insurance Benefits is a state agency responsible for the administration and management of the state's employee insurance programs, other postemployment benefits trusts and retirement systems and is part of the State of South Carolina primary government.

The governing board of PEBA is a board of 11 members. The membership composition is three members appointed by the Governor, two members appointed by the President Pro Tempore of the Senate, two members appointed by the Chairman of the Senate Finance Committee, two members appointed by the Speaker of the House of Representatives and two members appointed by the Chairman of the House Ways and Means Committee. Individuals appointed to the PEBA board must possess certain qualifications. Members of the PEBA board serve for terms of two years and until their successors are appointed and qualify. Terms commence on July first of even numbered years. The PEBA board appoints the Executive Director. The laws of the State and the policies and procedures specified by the State for State agencies are applicable to all activities of PEBA. By law, the State Fiscal Accountability Authority (SFFA), which consists of five elected officials, also reviews certain PEBA Board decisions in administering the State Health Plan and other postemployment benefits (OPEB).

Plan Description

The Other Post-Employment Benefits Trust Funds (OPEB Trusts), collectively refers to the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) and the South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF), were established by the State of South Carolina as Act 195, which became effective on May 2008. The SCRHITF was created to fund and account for the employer costs of the State's retiree health and dental plans. The SCLTDITF was created to fund and account for the employer costs of the State's Basic Long-Term Disability Income Benefit Plan.

In accordance with Act 195, the OPEB Trusts are administered by the PEBA, Insurance Benefits and the State Treasurer is the custodian of the funds held in trust. The Board of Directors of PEBA has been designated as the Trustee.

The OPEB Trusts are cost-sharing multiple-employer defined benefit plans. Article 5 of the State Code of Laws defines the two plans and authorizes the Trustee to at any time adjust the plans, including its benefits and contributions, as necessary to insure the fiscal stability of the plans. In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides post-employment health and dental and long-term disability benefits to retired State and school district employees and their covered dependents.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 6 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS AND OTHER EMPLOYEE BENEFITS, Continued

Benefits

The SCRHITF is a healthcare plan that covers retired employees of the State of South Carolina, including all agencies, and public school districts. The SCRHITF provides health and dental insurance benefits to eligible retirees. Generally, retirees are eligible for the health and dental benefits if they have established at least ten years of retirement service credit. For new hires beginning employment May 2, 2008 and after, retirees are eligible for benefits if they have established 25 years of service for 100% employer funding and 15-24 years of service for 50% employer funding.

The SCLTDITF is a long-term disability plan that covers employees of the State of South Carolina, including all agencies and public school districts and all participating local governmental entities. The SCLTDITF provides disability payments to eligible employees that have been approved for disability.

Contributions and Funding Policies

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires the postemployment and long-term disability benefits to be funded through non-employer and employer contributions for active employees and retirees to the PEBA – Insurance Benefits. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves.

The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge was 6.25% and 6.25%, for the fiscal years ended June 30, 2021 and 2020, respectively. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions include the mandatory transfer of accumulated PEBA – Insurance Benefits' reserves and the annual appropriation budgeted by the General Assembly. It is also funded through investment income.

The SCLTDITF is funded through employer contributions for active employees that elect health insurance coverage. For this group of active employees, PEBA – Insurance Benefits bills and collects premiums charged to State agencies, public school districts and other participating local governments. The monthly premium per active employee was \$3.22 for the fiscal years ended June 30, 2021 and 2020. The SCLTDITF premium is billed monthly by PEBA – Insurance Benefits and transferred monthly to the SCLTDITF. It is also funded through investment income.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 6 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS AND OTHER EMPLOYEE BENEFITS, Continued

Contributions and Funding Policies, Continued

The allocation percentage of the OPEB amounts are calculated differently for each OPEB Trust. For the SCRHITF, the allocation percentage is based on the covered payroll surcharge contribution for each employer. Please note that actual covered payroll contributions received from SCRS for the fiscal year 2019 totaled \$578,838,884. However, the covered payroll contributions total includes prior year covered payroll contribution adjustments and true-ups that net to a total of negative \$2,724,225.

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the employer's proportionate share of the change in the collective net OPEB liability arising from contributions to the OPEB plan during the measurement period from non-employer contributing entities for purposes other than the separate financing of specific liabilities to the OPEB plan. Therefore, employers should classify this revenue in the same manner as it classifies grants from other entities.

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Trusts, and additions to and deductions from the OPEB Trusts fiduciary net position have been determined on the same basis as they were reported by the OPEB Trusts. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value.

PEBA, Insurance Benefits issues audited financial statements and required supplementary information for the OPEB Trust Funds. This information is publicly available through the Insurance Benefits' link on PEBA's website at www.peba.sc.gov or a copy may be obtained by submitting a request to PEBA – Insurance Benefits, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, OPEB Trust fund financial information is included in the comprehensive annual financial report of the state.

Actuarial Assumptions and Methods

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

An actuarial valuation to determine the total OPEB liability is required to be performed at least every two years. For financial reporting purposes, the net OPEB liability and OPEB expense should be measured as of the employer's "measurement date" which may not be earlier than the employer's prior fiscal year end-date. If the actuarial valuation used to determine the total OPEB liability is not calculated as of the measurement date, the total OPEB liability is required to be rolled forward from the actuarial valuation date to the measurement date. The total OPEB liability shown in this report is based on an actuarial valuation performed as of June 30, 2018. Update procedures were used to roll forward the total OEPB liability to the measurement date of June 30, 2019. Please see the actuarial valuation report as of June 30, 2019 for additional discussion of the actuarial valuation, including the nature of actuarial calculations and more information related to participant data, economic and demographic assumptions, and benefit provisions.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 6 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS AND OTHER EMPLOYEE BENEFITS, Continued

Projections of benefits for financial reporting purposes are based on the substantive plans (as understood by the employer and plan participants) and include the types of benefits provided at the time the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date: June 30, 2019 Actuarial Cost Method: Entry Age Normal

Inflation: 2.25%

Investment Rate of Return: 2.75, net of OPEB Plan investment expense; including inflation

Single Discount Rate: 2.45% as of June 30, 2020

Demographic Assumptions: Based on the experience study performed for the South Carolina

Retirement Systems for the 5-year period ending June 30, 2015 For healthy retirees, the 2016 Public Retirees of South Carolina

Mortality: For healthy retirees, the 2016 Public Retirees of South Carolina Mortality Table for Males and the 2016 Public Retirees of South Carolina Mortality Table for Females are used with fully

generational mortality projections based on Scale AA from the year 2016. Multipliers are applied to the base tables based on

gender and employment type.

Health Care Trend Rate: Initial trend starting at 6.40% and gradually decreasing to an

Ultimate trend rate of 4.00% over a period of 15 years

Aging Factors: Based on plan specific experience

Retiree Participation: 79% for retirees who are eligible for funded premiums

59% for retires eligible for partial funded premiums 20% for retires eligible for Non funded premiums

Notes: The discount rate changed from 3.13% as of June 30, 2019 to

2.45% as of June 30, 2020; updates were also made to the healthcare trend rate assumption, including an adjustment to

reflect the repeal of the "Cadillac Tax".

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 6 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS AND OTHER EMPLOYEE **BENEFITS**, Continued

Additional information as of the latest actuarial valuation for SCLTDITF:

Valuation Date: June 30, 2019

Actuarial Cost Method: Individual Entry - Age Normal

Inflation: 2.25%

Offsets:

Investment Rate of Return: 3.00%, net of Plan investment expense; including inflation

Single Discount Rate: 2.83% as of June 30, 2020

Salary, Termination, and Based on the experience study performed for the South Retirement Rates:

Carolina Retirement Systems for the 5-year period ending June

30, 2015

Disability Incidence: The disability rates used in the valuation are based on the rates

developed for the South Carolina Retirement Systems pension

Disability Recovery: For participants in payment, 1987 CGDT Group Disability; for

active employees, 60% were assumed to recover after the first year and 92% were assumed to recover after the first two years 40% are assumed to be eligible for Social Security benefits;

assumed percentage who will be eligible for a pension plan offset

varies based on employee group

Expenses: Third party administrative expenses were included in the

benefit projections

The discount rate changed from 3.04% as of June 30, 2019 to Notes:

2.83% as of June 30, 2020

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 6 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS AND OTHER EMPLOYEE BENEFITS, Continued

Roll Forward Disclosure

The actuarial valuation was performed as of June 30, 2019. Update procedures were used to roll forward the total OPEB liability to June 30, 2020.

Net OPEB Liability

The Net OPEB Liability (NOL) is calculated separately for each OPEB Trust Fund and represents that particular Trust's Total OPEB Liability (TOL) determined in accordance with GASB No. 74 less that Trust's fiduciary net position. The allocation of each employer's proportionate share of the collective Net OPEB Liability and collective OPEB Expense was determined using the employer's payroll-related contributions over the measurement period. This method is expected to be reflective of the employer's long-term contribution effort as well as be transparent to individual employers and their external auditors.

The following table represents the components of the net OPEB liability as of June 30, 2020:

OPEB Trust	Total OPEB Liability	Pla	n Fiduciary Net Position	Ne	et OPEB Liability	Plan Fiduciary Net Position as a % of Total OPEB Liability	College Propotionate Share	College Portion of OPEBL
SCRHITF	\$ 19,703,745,672	\$	1,652,299,185	\$	18,051,446,487	8.39%	0.190360%	34,362,734
SCLTDITF	\$ 42,782,316	\$	42,479,106	\$	303,210	99.29%	0.131220%	398
								34,363,132

The following table represents the components of the net OPEB liability as of June 30, 2019:

OPEB Trust	 Total OPEB Liability	Pla	n Fiduciary Net Position	Net (OPEB Liability	Plan Fiduciary Net Position as a % of Total OPEB Liability	College Proportionate Share	lege Portion of OPEBL
SCRHITF	\$ 16,516,264,617	\$	1,394,740,049	\$	15,121,524	8.44%	0.201252%	\$ 30,432,371
SCLTDITF	\$ 40,743,755	\$	38,775,500	\$	1,968,255	95.17%	0.136152%	\$ 2,680
								\$ 3,0435,051

The Trusts' actuary calculates the TOL, and each Trust's fiduciary net position is reported in the Trust's financial statements. The NOL is disclosed in accordance with the requirements of GASB No. 74 in the Trusts' notes to the financial statements and required supplementary information. Liability calculations performed by the Trusts' actuary for satisfying the requirements of GASB Nos. 74, 75, and are not applicable for other purposes, such as determining the Trusts' funding requirements.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 6 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS AND OTHER EMPLOYEE BENEFITS, Continued

Single Discount Rate

The Single Discount Rate of 2.45% was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

A Single Discount Rate of 3.04% was used to measure the total OPEB liability for the SCLTDITF. This Single Discount Rate was based on an expected rate of return on plan investments of 3.00% and a municipal bond rate 2.45%. The projection of cash flows to determine this Single Discount Rate assumed that employer contributions will remain at \$38.64 per year for each covered active employee. Based on these assumptions, the plan's Fiduciary Net Position and future contributions were sufficient to finance the benefit payments through the year 2041As a result, the long-term expected rate of return on plan investments was applied to project benefit payments through the year 2041 and the municipal bond rate was applied to all benefit payments after that date.

Long-Term Expected Rate of Return

The long-term expected rate of returns represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2018 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation. This information is summarized in the following table:

SCRHIFT	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation- Weighted Long- Term Expected Real Rate of Return
U.S. Domestic Fixed Income Cash Total Expected Inflation	80.00% 20.00% 100.00%	0.60% 0.35%	0.48% 0.07% 0.55% 2.25%
Total Return Investment Return Assumption			2.80% 2.75%
SCLTDITF	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation- Weighted Long- Term Expected Real Rate of Return
U.S. Domestic Fixed Income Cash Total Expected Inflation	80.00% 20.00% 100.00%	0.95% 0.35%	0.76% 0.07% 0.83% 2.25%
Total Return			3.08%
Investment Return Assumption			3.00%

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 6 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS AND OTHER EMPLOYEE BENEFITS, Continued

Sensitivity Analysis

The following table presents the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 2.45% well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

2020		1% Decrease 1.45%		Discount Rate 2.45%		1% Increase 3.45%
SCRHITF Net OPEB Liability	\$	21,538,999,118	\$	18,051,446,487	\$	15,264,631,112
College Proportionate Share	\$	41,001,639	\$	34,362,734	\$	29,057,752
	1% Decrease 2.13%		Discount Rate 3.13%		1% Increase 4.13%	
2019		2.13%		3.13%		4.13%
2019 SCRHITF Net OPEB Liability	\$	2.13% 17,926,382,275	\$	3.13% 15,121,524,568	\$	4.13% 12,870,509,916

Regarding the sensitivity of the SCRHITF's net OPEB liability to changes in the healthcare cost trend rates, the following table presents the plan's net OPEB liability, calculated using the assumed trend rates as well as what the plan's net OPEB liability would be if were calculated using a trend rate that is one percent lower or one percent higher:

2020	1% Decrease		Cost Trend Rate		1% Increase	
SCRHITF Net OPEB Liability	\$	14,610,913,265	\$	18,051,446,487	\$	22,569,856,822
College Proportionate Share	\$	27,813,334	\$	34,362,734	\$	42,963,979
	1% Decrease		Current Healthcare Cost Trend Rate		1% Increase	
2019		1% Decrease	С	ost Trend Rate		1% Increase
2019 SCRHITF Net OPEB Liability	\$	1% Decrease 12,340,779,463	<u> </u>	15,121,524,568	\$	1% Increase 18,742,876,160

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 6 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS AND OTHER EMPLOYEE BENEFITS, Continued

Sensitivity Analysis, Continued

The SCLTDITF's net OPEB liability is not affected by changes in the healthcare cost trend rates due to the method used to calculate benefit payments. Therefore, the sensitivity to changes in the healthcare cost trend rates have not been calculated.

2020	1% Decrease 1.83%		Discount Rate 2.83%		1% Increase 3.83%	
SCLTDITF Net OPEB Liability	\$	1,786,612	\$	303,210	\$	(1,169,889)
College Proportionate Share		2,344		398		(1,535)
2019	1%	% Decrease 2.04%	Dis	Current scount Rate 3.04%	1	% Increase 4.04%
SCLTDITF Net OPEB Liability	\$	3,385,614	\$	1,968,255	\$	562,241
College Proportionate Share		4,610		2,680		766

OPEB Expense

Components of collective OPEB expense (and the College's proportionate share) reported in the Allocation of the OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB for the fiscal year ended June 30, 2020 are presented below.

Additional items included in Total Aggregate OPEB Expense are the current period amortized portions of deferred outflows and/or inflows of resources related to changes in employers' proportionate share of the collective NOL and differences between actual employer contributions and proportionate share of total plan employer contributions.

		College Proportionate		College Proportionate
2020 Description	SCRHITF	Share	SCLTDITF	Share
Service Cost	\$ 636,259,701	1,211,184	8,410,412	11,036
Interest on the Total OPEB Liability	518,306,015	986,647	1,246,540	1,636
Current-Period Benefit Changes	-	-	-	-
Projected Earnings on Plan Investments	(40,478,153)	(77,054)	(1,156,704)	(1,518)
Employee Contributions	-	-	-	-
OPEB Plan Administrative Expense	1,018,962	1,940	106,628	140
Other Changes in Plan Fiduciary Net Position	-	-	-	-
Recognition of Outflow (Inflow) of Resources due to Assets	261,262,924	497,340	(28,096)	(37)
Recognition of Outflow (Inflow) of Resources Due to Assets	(2,902,734)	(5,526)	(404,266)	(530)
Total Aggregate OPEB Expense	1,373,466,715	2,614,532	8,174,514	10,727

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 6 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS AND OTHER EMPLOYEE BENEFITS, Continued

OPEB Expense, Continued

		College Proportionate		College Proportionate
2019 Description	SCRHITF	Share	SCLTDITF	Share
Service Cost	\$510,940,536	1,028,278	7,941,192	10,812
Interest on the Total OPEB Liability	556,576,392	1,120,121	1,536,123	2,091
Current-Period Benefit Changes	-	-	-	-
Projected Earnings on Plan Investments	(50,671,753)	(101,978)	(1,440,049)	(1,961)
Employee Contributions	-	-	-	-
OPEB Plan Administrative Expense	885,185	1,781	40,651	55
Other Changes in Plan Fiduciary Net Position	-	-	-	-
Recognition of Outflow (Inflow) of Resources due to Assets	(100,567,732)	(202,395)	(54,053)	(74)
Recognition of Outflow (Inflow) of Resources Due to Assets	9,636,348	19,393	192,595	262
Total Aggregate OPEB Expense	\$ 926,798,976	1,865,200	8,216,459	11,187

Deferred Outflows and Inflows of Resources

Differences between expected and actual experience and changes in assumptions are recognized in OPEB expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided OPEB through the OPEB plan (active and inactive members) determined as of the beginning of the measurement period.

Additionally, differences between projected and actual earnings on OPEB plan investments should be recognized in OPEB expense using a systematic and rational method over a closed five-year period. For this purpose, the deferred outflows and inflows of resources are recognized in the OPEB expense as a level dollar amount over the closed period identified above.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 6 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS AND OTHER EMPLOYEE BENEFITS, Continued

OPEB Liabilities, Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Amounts

At June 30, 2021, the College reported liabilities of \$34,362,734 and \$398 for its proportionate share of the net OPEB liabilities of the SCRHITF and SCLTDITF. The net OPEB liability was measured as of June 30, 2020. The College's proportion of the net OPEB liability was based on the College's share of contributions to the plan relative to the contributions of all participating employers. At June 30, 2019, the College's proportion was .190630%.

For the year, the College recognized net OPEB expenses of \$2,133,424.

At June 30, 2021, the College reported deferred outflows of resources and deferred inflows of resources related to Employer OPEB expense from the following sources:

		SCRHITF	SCLTDITF	Total
Deferred Outflow of Resources				
Liability Experience		982,806	-	982,806
Investment Experience	\$			-
Outstanding Inflow Balance				
between Employer Contributions				
and Proportionate Share of Plan Contributions		109,378	_	109,378
Assumption Changes		5,113,604	1,667	5,115,271
College Contributions Subsequent		, ,	•	, ,
to the Measurement Date		1,104,292	17,524	1,121,816
Total		7,310,080	19,191	7,329,271
Deferred Inflow of Resources				
Liability Experience		782,563	1,652	784,215
Investment Experience		80,149	3,317	83,466
Assumption Changes		1,368,500	199	1,368,699
Outstanding Inflow Balance				
between Employer Contributions and Proportionate Share of				
Plan Contributions		2,839,296	655	2,839,951
Total	\$_	5,070,508	5,823	5,076,331

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 6 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS AND OTHER EMPLOYEE BENEFITS, Continued

OPEB Liabilities, Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Amounts. Continued

At June 30, 2020, the College reported liabilities of \$30,432,371 and \$2,680 for its proportionate share of the net OPEB liabilities of the SCRHITF and SCLTDITF. The net OPEB liability was measured as of June 30, 2019. The College's proportion of the net OPEB liability was based on the College's share of contributions to the plan relative to the contributions of all participating employers. At June 30, 2019, the College's proportion was .201252%.

For the year, the College recognized net OPEB expenses of \$1,619,074.

At June 30, 2020, the College reported deferred outflows of resources and deferred inflows of resources related to Employer OPEB expense from the following sources:

	 SCRHITF	SCLTDITF	Total
Deferred Outflow of Resources			
Liability Experience	358,348	-	358,348
Investment Experience	\$ 35,598	72	35,670
Outstanding Inflow Balance			
between Employer Contributions			
and Proportionate Share of Plan Contributions	135,402	_	135,402
Assumption Change	2,013,736	1,507	2,015,243
College Contributions Subsequent	2,010,100	1,007	2,010,210
to the Measurement Date	 1,013,664	11,237	1,024,901
Total	 3,556,748	12,816	3,569,564
Deferred Inflow of Resources			
Liability Experience	989,216	1,865	991,081
Investment Experience	-	-	-
Assumption Change	1,884,538	239	1,884,777
Outstanding Inflow Balance			
between Employer Contributions and Proportionate Share of			
Plan Contributions	 1,668,971	622	1,669,593
Total	\$ 4,543,725	2,726	4,545,451

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 6 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS AND OTHER EMPLOYEE BENEFITS, Continued

The \$1,104,292 and \$17,524 reported as deferred outflows of resources related to Employer OPEB resulting from the College contributions subsequent to the measurement date will be recognized as a reduction of net OPEB in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflow of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	SCRHITF		e 30 SCRHITF		SCLTDITF
2021	\$	10,717	(650)		
2022		(356)	(937)		
2023		(17,910)	(1,305)		
2024		286,653	(903)		
2025		354,283	(120)		
Thereafter		501,896	(241)		

The \$1,092,994 and \$11,237 reported as deferred outflows of resources related to Employer OPEB resulting from the College contributions subsequent to the measurement date will be recognized as a reduction of net OPEB in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflow of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	SCRHITF		SCRHITF SCL		SCLTDITF
-		.			
2020	\$	(429, 128)	118		
2021		(429, 128)	118		
2022		(440,838)	(180)		
2023		(459,393)	(562)		
2024		(137,457)	(145)		
Thereafter		(103,698)	(495)		

NOTE 7 - CONTINGENCIES, LITIGATION, AND PROJECT COMMITMENTS

In the opinion of College Administration, there are no material claims or lawsuits against the College that are not covered by insurance or whose settlement would materially affect the College's financial position.

The College participates in certain Federal programs. These programs are subject to financial and compliance audits by the grantor or its representative. Such audits could lead to requests for reimbursement to the grantor agency for expenditures allowed under terms of the grant. The College administration believes disallowances, if any, be immaterial.

Due to the COVID 19 Pandemic that has continued during the fiscal year ended, June 30, 2021, the College is evaluating what effect it will have on its operation with respect to enrollment, revenues, the collectability of receivables including timing concessions, the ability to obtain necessary materials and supplies, to manage and protect the health and safety of students and teachers, including the stability of the support workforce, and the ability to be mobile, access service locations, and continue to provide essential services at an appropriate level, all within the guidelines and mandates of federal, state and local governments and officials. At this time, as of the date of this report, the management is unsure of the effect of this circumstance and will be monitoring and evaluating on an ongoing basis to determine the effect of this on its ongoing operations, and the value of its assets and obligations long term.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 7 - CONTINGENCIES, LITIGATION, AND PROJECT COMMITMENTS, Continued

At June 30, 2021, the College had remaining project commitment balances of approximately \$714,636 for Master Plan Furniture, Entrance Sign Improvement, Line-worker Building and Other Projects.

OTHER CAPITAL PROJECTS

Other capital projects, which are not to be capitalized when completed, are for replacements, repairs, and/or renovations to existing facilities.

Unrestricted Net Position (Net of Pension and OPEB Liability)

Planned Uses of Unrestricted Net Position at June 30:

	2021
60 Day Operating Reserve	\$ 7,460,398
Master Plan Implementation	20,049,524
Deferred Maintenance	1,000,000
Academic Equipment Reserve	500,000
Operating Contingency	1,000,000
	\$ 30,009,923

Planned Uses of Unrestricted Net Position at June 30:

	 2020
60 Day Operating Reserve	\$ 5,256,520
Master Plan Implementation	13,080,834
Deferred Maintenance	1,000,000
Academic Equipment Reserve	500,000
Operating Contingency	 1,000,000
	\$ 20,837,354

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 8 – LEASE OBLIGATIONS

Future commitments for operating leases in excess of one year as reported at June 30, 2021 are as follows:

Year Ended June 30	perating g/Equipment
2022	 <u> </u>
2022	\$ 108,889
2023	107,183
2024	64,044
2026	56,666
2026	 44,344
Total Minimum Payments	\$ 381,126

Future commitments for operating leases in excess of one year as reported at June 30, 2020 are as follows:

Year Ended June 30	perating g/Equipment
2021	\$ 9,645
2022	22,133
2023	22,133
2024	22,133
2025	 22,133
Total Minimum Payments	\$ 98,177

NOTE 9 - LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2021 was as follows:

	June 30, 2020	Addition	Reductions	June 30, 2021	Current Portion	Noncurrent Portion
Accrued Compensated Absences	1,220,088		184,100	1,035,988	510,393	525,595
Total Long-Term Liabilities	\$ 1,220,088		184,100	1,035,988	510,393	525,595

Long-term liability activity for the year ended June 30, 2020 was as follows:

	June 30, 2019	Addition	Reductions	June 30, 2020	Current Portion	Noncurrent Portion
Accrued Compensated Absences	1,012,695	217,266	9,873	1,220,088	574,043	646,045
Total Long-Term Liabilities	\$ 1,012,695	217,266	9,873	1,220,088	574,043	646,045

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 10 - RELATED ORGANIZATIONS, RELATED PARTY TRANSACTIONS, AND TRANSACTIONS WITH DISCRETELY PRESENTED COMPONENT UNITS

Certain separately chartered legal entities whose activities are related to those of the College exist primarily to provide financial assistance and other support to the College and its educational program. Financial statements for these entities are audited by independent auditors and retained by them. They include York Technical College Foundation.

Management reviewed its relationship with the Foundation under the existing guidance of GASB Statement No. 14 as amended by GASB 39. Because of the nature and the significance of its relationship with the College, the Foundation is considered a component unit of the College.

Following is a more detailed discussion of the Foundation and a summary of significant transactions (if any) between the Foundation and the College for the year ended June 30, 2021.

The York Technical College Foundation

The Foundation is a separately chartered corporation organized exclusively to receive and manage private funds for the exclusive benefit and support of York Technical College. The Foundation's activities are governed by its Board of Directors.

York Technical College received \$17,270 from the Foundation for the fiscal year ended June 30, 2021 and \$210,212 for the fiscal year ended June 30, 2020. These funds were used to support College programs such as scholarships and facility utilization. The Foundation reimburses the College for any purchases made by the College on behalf of the Foundation.

Related party receivables and payables as of June 30, 2021 and June 30, 2020 are as follows:

	Jui	ne 30, 2021	June 30, 2020	
Due from York Technical College Foundation	\$	70,959	169,643	

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 11 - RISK MANAGEMENT

The College is exposed to various risks of loss and maintains State or commercial insurance coverage for each of those risks. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. Settlement claims have not exceeded this coverage in any of the past three years.

The State of South Carolina believes it is more economical to manage certain risks internally and set aside assets for claim settlement. Several state funds accumulate assets and the State itself assumes substantially all the risk for the following claims of covered employees:

Unemployment compensation benefits
Worker's compensation benefits for job-related illnesses or injuries
Health and dental insurance benefits
Long-term disability and group-life insurance benefits

Employees elect health insurance coverage through either a health maintenance organization or through the State's self-insured plan.

The College and other entities pay premiums to the State's Insurance Reserve Fund (IRF), which issues policies, accumulates assets to cover the risk of loss, and pays claims incurred for covered losses relating to the following activities:

Theft, damage to, or destruction of assets including data processing; Real property, its contents, and other equipment; Motor vehicles; General tort liability

The IRF is a self-insurer and purchases reinsurance to obtain certain services and to limit losses in certain areas. The IRF's rates are determined actuarially.

The College obtains coverage through a commercial insurer for employee fidelity bond insurance for all employees for losses arising from theft or misappropriation.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 12 - OPERATING EXPENSES BY FUNCTION

Operating expenses by functional classification for the year ended June 30, 2021 are summarized as follows:

		Salaries	Benefits	Scholarship	Utilities	Supplies and Other Services	Depreciation	Total
Instruction	\$	9,297,939	4,240,775			2,074,588		15,613,301
Academic Support		2,779,191	1,367,045	-	-	690,261	-	4,836,497
Student Services		2,175,911	1,109,175	-	-	117,295	-	3,402,381
Operation and Maintenance								
of Plant		1,532,783	878,206	-	998,110	875,486	-	4,284,585
Institutional Support		3,082,735	1,278,739	-	-	2,893,075	-	7,254,549
Scholarships & Fellowships		-	-	7,785,587	-	-	-	7,785,587
Auxiliary Enterprises		-	-	-	-	48,887	-	48,887
Depreciation	_	<u> </u>					2,158,305	2,158,305
Total Operating Expenses	\$	18,868,559	8,873,939	7,785,587	998,110	6,699,591	2,158,305	45,384,091

Operating expenses by functional classification for the year ended June 30, 2020 are summarized as follows:

		Salaries	Benefits	Scholarship	Utilities	Supplies and Other Services	Depreciation	Total
Instruction	\$	9,937,813	4,102,746		-	1,542,093		15,582,652
Academic Support		2,639,376	999,226	-	-	729,847	-	4,368,449
Student Services		2,095,006	827,740	-	-	221,696	-	3,144,442
Operation and Maintenance								
of Plant		1,585,688	729,299	-	1,107,843	1,383,137	-	4,805,967
Institutional Support		3,454,571	1,568,794	-	-	2,181,451	-	7,204,816
Scholarships & Fellowships		-	-	5,233,814	-	-	-	5,233,814
Auxiliary Enterprises		-	-	-	-	46,297	-	46,297
Depreciation	_	<u> </u>	-				2,018,178	2,018,178
Total Operating Expenses	\$	19,712,454	8,227,805	5,233,814	1,107,843	6,104,521	2,018,178	42,404,615

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 13 - STATE APPROPRIATIONS

State funds for the South Carolina Technical College System are appropriated to the State Board for Technical and Comprehensive Education (the Board) and the Board allocates funds budgeted for the technical colleges in a uniform and equitable manner. Appropriations are recognized as revenue when received and available. Amounts that are not expended by fiscal year-end lapse and are required to be returned to the General Fund of the State unless the Board receives authorization from the General Assembly to carry the funds over to the next year.

The following is a detailed schedule of State appropriations revenue reported in the financial statements for the fiscal year ended June 30, 2021 and June 30, 2020.

	2021	2020
NON-CAPITAL APPROPRIATIONS		
Current Year's Appropriations:		
Appropriations from State Board Allocation - Salary and Fringes	\$ 8,524,723	8,311,103
Appropriations from SC Education Lottery Fund	9,791	24,257
Total Non-Capital Appropriations Recorded as Current Year Revenue	\$ 8,534,514	8,335,360
CAPITAL APPROPRIATIONS		
Capital Reserve Funds	\$ 781,479	1,571,231
Total Capital Appropriations Recorded as Current Year Revenue	\$ 781,479	1,571,231

NOTE 14 - REQUIRED INFORMATION ON BUSINESS-TYPE ACTIVITIES

		2021	2020	Increase/ (Decrease)
Charges for Services	\$	28,696,805	24,094,636	4,602,169
Operating Grants and Contributions	•	12,201,347	11,237,660	963,687
Capital Grants and Contributions		375,985	422,048	(46,063)
Less: Expenses		(45,384,091)	(42,404,615)	(2,979,476)
Net Program Revenue (Expense)		(4,109,954)	(6,650,270)	2,540,317
General Revenues:				
Earnings on Investments		114,090	167,584	(53,494)
Gains and (Losses) on Investments		(126, 199)	165,717	(291,916)
Transfers:				
State Appropriations		9,306,202	9,936,591	(630,389)
Total General Revenue and Transfers		9,294,092	10,269,892	(975,800)
Change in Net Position	F	5,184,139	3,619,622	1,564,517
Beginning of Year		(1,007,648)	(4,627,270)	3,619,622
Net Position - Ending	\$	4,176,490	(1,007,648)	5,184,138

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 15 – NOTE PAYABLE

The College did not have any outstanding notes payable at June 30, 2021 or at June 30, 2020.

NOTE 16 – TAX ABATEMENTS

The College receives support in the form of property tax revenue from two Counties in its service area: Chester County and York County. Each of the Counties has entered into various property tax abatement agreements with local businesses.

Companies that are located in South Carolina and are classified as manufacturing facilities are subject to ad valorem taxes. The fair market value is multiplied by the assessment ratio, generally equal to 10.5%, to produce the assessed value and then multiplied by the millage rate. The three counties provide certain tax reductions through the following programs:

- 1. Fee in Lieu of Ad Valorem Tax
- 2. Special Source Revenue Credit

The Fee in Lieu of Ad Valorem Tax program is intended to encourage investment in commercial and industrial investments in South Carolina. The property tax reduction is granted pursuant to Chapter 44 of Title 12 of the South Carolina Code of Laws of South Carolina 1976 as amended. Taxpayers are eligible to receive a reduction in property taxes, through reduced assessed values and locked millage rates, if they enter into an agreement with the County and invest at least \$2.5 million in taxable property (or some other negotiated investment floor) within a 5-year period. Under the Fee in Lieu of Ad Valorem Tax program, if a taxpayer does not make the required investment within the 5 year period, then the reduced property taxes terminate and the taxpayer must repay the County the difference between the abated taxes received and what the taxpayer would have paid had it not had the benefit of the Fee in Lieu of Ad Valorem Tax program.

The two counties that provide support to the College have multiple taxpayers that have entered into agreements under the Fee in Lieu of Ad Valorem Tax program. In the aggregate, these taxpayers, without the benefit of the program would pay significantly more in ad valorem tax. However, due to the benefit provided by the Fee in Lieu of Ad Valorem Tax program, the taxpayers paid less in the most recent fiscal year, as shown in the table below.

The Special Source Revenue Credit program is intended to encourage investment into infrastructure serving the County or infrastructure serving a commercial or manufacturing enterprise in the County. The property tax reduction is granted pursuant to Chapter 1 of Title 4 of the South Carolina Code of Laws of South Carolina 1976, as amended. All property that is located in an MCIP, Multi-County Industrial Park, is exempt from property taxes, but property owners must pay an amount equivalent to the property taxes that would otherwise be due. The companies that make an agreement with the county based on this option are based on infrastructure credits or credits based on investments /money spent to improve a facility. Taxpayers are eligible to receive a percentage reduction off their total property tax liability if the taxpayer is located in a multicounty park, enters into an agreement with the County and agrees to make an investment in taxable property in the County and create jobs. If the taxpayer does not meet its investment or job commitments, the taxpayer must repay a portion of the reduction.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 16 - TAX ABATEMENTS, Continued

These two counties have several taxpayers that have entered into agreements with the counties under the Special Source Revenue Credit program. Taken together, these taxpayers, without the benefits of the program would pay more in ad valorem tax in the most recent fiscal year. However, due to the benefit provided by the *Special Source Revenue Credit* program, the taxpayers pay significantly less as shown below.

			Special Source		Total	
	Fe	e in Lieu	Revenue		Ad Valorem	
	of Tax		Credits	Total	Total Tax	
Chester County	\$	9,886	612	10,498	-	10,498
York County		174,376		174,376	358,500	532,876
Total	\$	184,262	612	184,874	358,500	543,374

^{*} N/A = Not Available

NOTE 17- COMPONENT UNIT

1. General

The York Technical College Foundation, Inc. (the Foundation) was incorporated under the laws of South Carolina on May 17, 1983, for the purpose of seeking funds and resources to further the educational mission of York Technical College. The Foundation is exclusively a charitable and educational corporation within the meaning of section 501(c)(3) of the Internal Revenue Service Code. The Foundation is considered a component unit of York Technical College.

2. Summary of Significant Accounting Policies

Classes of Net Assets

The financial statements report amounts separately by class of net assets:

Net Assets Without Donor Restrictions - Net assets without donor restrictions are those currently available for use by the Foundation.

Net Assets With Donor Restrictions - Net assets with donor restrictions are contributions whose use is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Foundation pursuant to these stipulations. This also includes contributions whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by the Foundation's actions.

Donor-Imposed Restrictions - All contributions are considered to be available for general use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the support as net assets without donor restrictions.

For the fiscal year 2020-2021, net assets with donor restrictions are for scholarships to York Technical College students, as well as, equipment, building improvements, buildings and teacher incentives

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 17- COMPONENT UNIT, Continued

2. Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents - For purposes of the statement of cash flows, cash and cash equivalents are considered to be cash or highly liquid investments with a maturity of three months or less when purchased.

The cash balance at June 30, 2021 was \$465,899 and the bank balance was \$494,008 of which\$244,008 was not insured by the Federal Deposit Insurance Corporation. The Foundation has not experienced any losses on its cash equivalents.

Investments – Investments are presented in the financial statements in the aggregate at fair market value. Investments consist of two separate trusts under agreements with a financial management company. The trustee, by agreement, can invest in stocks, bonds, negotiable securities and property (real and personal) as the trustee deems advisable. All investments are in the name of the Foundation.

	Fair Value		
Money Funds	\$	580,545	
Fixed Income:			
US Government and Agency		1,230,344	
Corporate		1,475,920	
Equities and Mutual Funds		10,796,607	
	\$	14,083,416	

The Foundation accounts for its investments at fair value. Changes in unrealized gains (losses) on the carrying value of investments are reported as a component of investment income in the statement of activities. The total unrealized gains at June 30, 2021 are \$2,015,186.

Funds Held in Trust by Others - Trust agreements under which the Foundation has no control over the investment of assets are at the fair value of the investments held as reported by the custodians. Changes in the value of the assets are included in the statement of activities as increases and decreases to contributions received. Distributions to the Foundation during the life of the agreement are recognized as contributions received in the appropriate net asset classification in accordance with the donor's wishes.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 17- COMPONENT UNIT, Continued

2. Summary of Significant Accounting Policies (Continued)

Public Support, Revenue and Expenses – The Foundation recognizes contributions and investment income on the accrual basis. Interest income earned on the endowments are allocated to the endowments in the endowment fund. All other interest income is recorded in the net assets without donor restrictions category. Revenue is recorded when earned. Expenses are recorded when incurred in accordance with the accrual basis of accounting.

Management Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Endowment - The Foundation's endowment includes donor restricted endowment funds. As required by accounting principles generally accepted in the United States, net assets associated with endowment funds are classified and reported based on the existence or absence of donor imposed restrictions.

3. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	_Ju	une 30, 2021	Restricted		Net Available	
Cash and Cash Equivalents	\$	465,899	\$	(161,921)	\$	303,978
Accounts Receivable		14,083,416		(13,431,604)		651,812
		14,549,315		(13,593,525)		955,790
Other Restricted Assets/Liabilities:						
Contributions Receivable		699,231		(699,231)		-
Funds Held in Trust by Others		285,613		(285,613)		-
Land		291,152		(291,152)		-
Accounts Payable		(51,385)		51,385		
	\$	15,773,926	\$	(14,818,136)	\$	955,790

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 17- COMPONENT UNIT, Continued

4. Property and Equipment

Property and equipment are carried at cost. The Foundation reports depreciation using the straightline method over the estimated useful lives of the respective assets. Estimated useful lives are generally as follows:

Land improvements20 yearsBuildings and improvements28 yearsFurniture3 years

The Foundation capitalizes all property and equipment with a 1 year or longer life and with a cost or donated fair value of \$1,000 or more. Property and equipment details are as follows:

	June 30, 2020		Additions		June 30, 2021
Cost					
Land	\$	516,899	-	-	516,899
Land Improvements		28,000	-	-	28,000
Building		394,810	-	-	394,810
Building Improvements		74,668			74,668
		1,014,377			1,014,377
Accumulated Depreciation					
Land Improvements		(28,000)	-	-	(28,000)
Building and Improvements		(287,526)	(16,767)		(304,293)
		(315,526)	(16,767)		(332,293)
Net Book Value	\$	698,851	(16,767)		682,084

Depreciation expense recorded for 2020/2021 was \$16,767.

5. Taxes

The Foundation meets the requirements of the Internal Revenue Code and is exempt from federal income tax under Section 501(c)(3) of the Code. As of the date of this report, the tax years ending June 30, 2021, 2020, 2019 and 2018 remain open and subject to review by the Internal Revenue Service. Management of the Foundation does not expect any tax liability to result from these tax periods. The Foundation is not classified as a private foundation.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 17- COMPONENT UNIT, Continued

6. Contributions Receivable, Net

The contributions receivable in the temporarily restricted fund are related to pledges for capital projects and the Annual Fund. The amounts receivable in more than one year are discounted at 2% by management. Management has established an allowance for uncollectible accounts of\$26,000 as of June 30, 2021. The contributions receivable details are as follows:

Receivable in Less than One Year	\$ 49,466
Receivable in One to Five Years	677,500
Total Pledges and Contributions Receivable	726,966
Less, Discounts to Net Present Value	 (27,735)
Net Contributions Receivable at June 30, 2021	 699,231

7. Investment Income

Investment Income consists of the following:

Gains and Losses		2,737,640
Investment Fees		(45,643)
	<u> </u>	2,916,014

8. Related Party Transactions

Due to the purpose of the Foundation, York Technical College (the "College") is a related party. The Foundation seeks funds and resources to further the educational mission of the College. It provides to the College's students, scholarships, while the College provides to the Foundation, the personnel to manage the Foundation's activities. All transactions are conducted at arms-length.

Amounts paid and accrued to the College during 2021 were \$71,694 for scholarships, \$3,000 for rent, \$35,000 for salaries, and \$149,317 for supplies and other costs. As of June 30, 2021, the Foundation owed the College \$70,959, which is included in accounts payable.

Additionally, the Foundation paid a salary supplement directly to the College President in the amount of \$65,000.

The College has three operating leases for instructional facilities from the Foundation that expire in March 2022. The monthly lease rates are \$4,690 for the Wilson Street property and \$1,667 for the Heavy Equipment Building. The Foundation collected \$76,279 for these leases during the year ended June 30, 2021. Estimated future lease revenue for the year ended June 30, 2022, is \$43,139.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 17- COMPONENT UNIT, Continued

9. Employee Compensated Absences

The Foundation has no employees as all persons providing services to the Foundation are either College employees or independent contractors. As such, any College employee's rights to receive compensation for future absences, such as vacation, are not recognized in these financial statements.

10. Contingencies and Commitments

Due to the nature of the Foundation's normal activities, it is routinely subject to a variety of claims and demands by various individuals and entities. Loss contingencies are situations involving uncertainties as to possible loss. The uncertainties are resolved when certain events occur or fail to occur. Loss contingencies may be the result of litigation, claims, audit disallowances, threatened property loss, or uncollectible receivables. Such situations are loss contingencies if the related liability has not been recorded, yet a loss is reasonable possible. Guarantees of other's debts are loss contingencies, however, even if the probability of loss is remote. The Foundation maintains insurance against certain loss contingencies with liability policies and physical damage coverage. At the date of this report, management is not aware of any contingencies that will result in any material loss to the Foundation.

11. Fair Value

Information about the fair value of financial instruments for which it is practical to estimate that value, whether or not recognized in the Statement of Financial Position, is required to be disclosed. Fair value is determined using various methods and assumptions.

The following methods and assumptions were used to estimate the fair value for the classification within the financial statements:

- Investments fair value is approximated by the balance reported by the custodian based on market values of the investment assets.
- Contributions receivable fair value is approximated by discounting the expected future cash flows.
- Funds held by others fair value is approximated by the balance reported by the custodian based on market values of the investment assets.

When quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. In that regard, the derived fair value estimates cannot be substantiated by comparison to independent markets and, in many cases could not be realized in immediate settlement of the instrument.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 17- COMPONENT UNIT, Continued

11. Fair Value (Continued)

The following levels of input for measurement of fair value have been defined to assist the user in evaluating the fair value disclosure information:

- Level 1 Quoted prices in an active market for identical assets or liabilities.
- Level 2 Other quoted prices in active markets for similar assets or liabilities, quoted prices for identical assets or liabilities in markets that are not active for transactions or availability of information, other observable sources of information, and information derived principally from or corroborated from observable sources of information.
- Level 3 Unobservable sources of information, primarily management's assumptions about potential market participants.

The estimated fair values of the Foundation's financial instruments are as follows and are included in the statement of financial position under similar descriptions:

		Carrying		Fair
	Level	Value		Value
Financial Assets			-	_
Investments	1	\$ 14,083,416	\$	14,083,416
Funds Held by Others	2	285,613		285,613
Contributions Receivable	3	699,231		699,231

The Foundation recognized a decrease in the amount of \$55,804 in level 3 for the decrease in contributions receivable during the year.

Certain financial instruments and all nonfinancial instruments are excluded from the fair value disclosure requirements. Accordingly, the aggregate fair value amounts presented do not necessarily represent the value of the Foundation. The Foundation recognized \$56,803 in unrealized gains resulting from changes in fair value during the period.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 17- COMPONENT UNIT, Continued

12. Endowment Fund

Interpretation of Relevant Law

The Board of Directors of the Foundation has interpreted the South Carolina Uniform Prudent Management of Institutional Funds Act (SCUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as nets assets held in perpetuity is classified as net assets restricted by purpose or time until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by SCUPMIFA.

In accordance with SCUPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The duration and preservation of the fund.
- 2) The purposes of the Foundation and the donor-restricted endowment fund.
- 3) General economic conditions.
- 4) The possible effect of inflation and deflation.
- 5) The expected total return from income and the appreciation of investments.
- 6) Other resources of the Foundation.
- 7) The investment policies of the Foundation.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 17- COMPONENT UNIT, Continued

12. Endowment Fund (Continued)

Change in endowment net assets consists of the following as of June 30, 2021:

	Endowment Fund						
	N	et Assets	Net Assets				
	Wit	thout Donor	With Donor				
	Re	estrictions	Restrictions	Total			
Endowment Net Assets, June 30, 2020	\$	-	6,402,434	6,402,434			
Investment Return		-	1,640,691	1,640,691			
Contributions		-	104,659	104,659			
Program Releases		195,236	(195,236)	-			
Board Approved Payouts		(195,236)		(195,236)			
Endowment Net Assets, June 30, 2021			7,952,548	7,952,548			
Endowment Net Assets, June 30, 2021		-	7,952,548	7,952,548			
Net Endowment Net Assets		1,352,598	6,865,588	8,218,186			
Total Net Assets	\$	1,352,598	14,818,136	16,170,734			

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for donor-specified periods. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce investment returns at least equal to inflation as measured by the Consumer Price Index plus a 4% pay out and 1% for associated fees while assuming a moderate level of investment risk.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized gains and losses) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a policy of appropriating for distribution each year 5 percent of its endowment fund's average fair value over the prior 12 months through the calendar year-end proceeding the fiscal year in which the distribution is planned. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long term, the Foundation expects the current spending policy to allow its endowment to grow at an average of 8 to 10 percent annually. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Notes to the Financial Statements, Continued June 30, 2021 and 2020

NOTE 17- COMPONENT UNIT, Continued

13. Net Assets With Donor Restrictions

At June 30, 2021 net assets with donor restrictions are restricted for the following purposes:

Subject to Expenditure for Specified Purpose:		
Scholarships	\$	2,736,156
Other College Support		4,129,432
_		6,865,588
Endowments:		
Scholarships		3,983,520
Other College Support		84,549
_	_	4,068,069
Held in Perpetuity:		
Scholarships		1,042,603
Other College Support		2,841,876
_		3,884,479
Total Net Assets with Donor Restrictions	\$	14,818,136

Net assets were released from donor restrictions by incurring expenses, satisfying the restricted purposes, or by occurrence of other events specified by donors as follows for the year ended June 30, 2021:

Satisfaction of Purpose Restrictions:	
Scholarships	172,818
Other College Support	 159,455
	\$ 332,273

NOTE 18 – SUBSEQUENT EVENTS

Management has, through September 30, 2021, considered whether events have occurred or circumstances exist subsequent to the date of the financial statements, June 30, 2021, that would have materially significant effect on the carrying amounts of assets or liabilities, including estimates, and no such items have been identified.

Required Supplemental Information

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Required Supplemental Information For the Year Ended June 30,

SOUTH CAROLINA RETIREMENT SYSTEM (SCRS)

Schedule of the College's Proportionate Share of the Net Pension Liability

Year	College's Proportion of the Net Pension Liability	Pro	College's portion of the et Pension Liability	ı	vered Payroll During the urement Period	Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2021	0.14482%	\$	37,003,068	\$	13,699,097	270.11%	50.70%
June 30, 2020	0.15302%		34,941,799		13,656,547	255.86%	54.40%
June 30, 2019	0.16412%		36,744,126		14,748,224	249.14%	54.10%
June 30, 2018	0.16256%		36,594,175		14,601,195	250.62%	53.34%
June 30, 2017	0.15902%		33,966,224		13,821,783	245.74%	52.91%
June 30, 2016	0.16622%		31,523,476		14,156,744	222.67%	56.99%
June 30, 2015	0.16600%		28,637,200		13,880,542	206.31%	59.92%

Schedule of Employer Contribution

Year	 Statutorily Required Contribution	F	ontributions Recognized by the Plan	Contributions Excess (Deficiency)	Co	llege's Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2021	\$ 2,535,259	\$	2,535,259	-	\$	13,981,123	18.13%
June 30, 2020	2,512,692		2,512,692	-		13,699,097	18.34%
June 30, 2019	1,988,393		1,988,393	-		13,656,547	14.56%
June 30, 2018	2,304,069		2,304,069	-		14,748,224	15.62%
June 30, 2017	1,900,205		1,900,205	-		14,601,195	13.01%
June 30, 2016	1,704,474		1,704,474	-		13,821,783	12.33%
June 30, 2015	1,698,380		1,698,380	=		14,156,744	12.00%

Required Supplemental Information For the Year Ended June 30,

POLICE OFFICERS RETIREMENT SYSTEM (PORS)

Schedule of the College's Proportionate Share of the Net Pension Liability

Year	Proportion of the Net Pension Liability	portion of the let Pension Liability	overed Payroll During the surement Period	Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2021	0.01582%	\$ 524,597	\$ 179,789	291.78%	58.80%
June 30, 2020	0.01496%	428,610	205,438	208.63%	62.70%
June 30, 2019	0.01228%	347,863	164,193	211.86%	61.70%
June 30, 2018	0.01267%	347,048	113,825	304.90%	60.90%
June 30, 2017	0.01320%	334,688	156,844	213.39%	60.44%
June 30, 2016	0.01290%	281,220	159,846	175.93%	64.57%
June 30, 2015	0.01000%	199,158	155,120	128.39%	67.55%

Schedule of Employer Contribution

Year	Statutorily Required Contribution		Required Recognized		ecognized	Contributions Excess (Deficiency)	Col	lege's Covered Payroll	Contributions as a Percentage of Covered Payroll	
June 30, 2021	\$	51,143	\$	51,143	-	\$	280,388	18.24%		
June 30, 2020		32,793		32,793	-		179,789	18.24%		
June 30, 2019		35,418		35,418	-		205,438	17.24%		
June 30, 2018		26,665		26,665	-		164,193	16.24%		
June 30, 2017		16,209		16,209	-		113,825	14.24%		
June 30, 2016		21,551		21,551	-		156,844	13.74%		
June 30, 2015		21,435		21,435	-		159,846	13.41%		

Required Supplemental Information For the Year Ended June 30,

South Carolina Retirement System Health Insurance Trust Fund (SCRHIFT)

Schedule of Proportionate Share of the Net OPEB Liability

Year	Proportion of the Net Pension Liability	pportion of the Net Pension Liability	overed Payroll During the surement Period	Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2021	0.19036%	\$ 34,362,734	\$ 17,607,501	195.16%	8.39%
June 30, 2020	0.20125%	30,432,371	17,601,125	172.90%	8.44%
June 30, 2019	0.21413%	30,344,040	18,466,276	164.32%	7.91%
June 30, 2018	0.21288%	30,800,098	17,951,402	171.57%	7.60%

Schedule of College's Contributions

Year	F	Statutorily Required ontribution	F	ontributions Recognized by the Plan	Contributions Excess (Deficiency)	Col	lege's Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2021	\$	1,096,693	\$	1,096,693	-	\$	16,592,187	6.61%
June 30, 2020		1,064,868		1,064,868	-		17,607,501	6.05%
June 30, 2019		1,015,645		1,015,645	-		17,601,125	5.77%
June 30, 2018		956,810		956,810	-		18,466,276	5.18%

Required Supplemental Information For the Year Ended June 30,

South Carolina Retirement System Long-term Disability Insurance Trust Fund (SCLTDITF)

Schedule of Proportionate Share of the Net OPEB Liability

Year	Proportion of the Net Pension Liability	portion of the let Pension Liability	Covered Payroll During the Measurement Period	Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2021	0.1312200%	\$ 398	n/a	n/a	99.29%
June 30, 2020	0.1361520%	2,680	n/a	n/a	95.17%
June 30, 2019	0.1437160%	4,399	n/a	n/a	92.20%
June 30, 2018	0.1466190%	2,658	n/a	n/a	95.29%

Schedule of College's Contributions

Year	Re	atutorily equired atribution	Red	tributions cognized the Plan	Contributions Excess (Deficiency)	Col	lege's Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2021	\$	9,918	\$	9,918	-	\$	17,547,090	0.06%
June 30, 2020		11,237		11,237	-		16,592,187	0.07%
June 30, 2019		12,429		12,429	-		17,601,125	0.07%
June 30, 2018		10,613		10,613	-		18,466,276	0.06%

STATISTICAL

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Narrative to the Statistical Section

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the College's financial performance has changed over time.

REVENUE CAPACITY

These schedules contain information to help the reader assess the College's revenue sources.

DEBT CAPACITY

This schedule presents information to help the reader assess the College's level of outstanding debt.

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the College's financial activities take place.

OPERATING INFORMATION

These schedules contain service and infrastructure data to help the reader understand how the College's financial information relates to the activities it performs.

OTHER INFORMATION

The schedules in this section are additional information that is not required by GASB 44 Statement but is of interest to those reading the report.

FINANCIAL TRENDS

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										in thousand:
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Operating Revenues										
Student tuition and fees, net	\$7,716,690	\$8,991,009	\$10,204,952	\$11,407,963	\$11,351,473	\$10,952,367	\$11,741,135	\$12,491,958	\$10,802,348	\$10,516,772
Federal grants and contracts	2,266,978	1,696,045	1,783,899	1,890,733	1,763,511	1,138,330	1,236,460	1,439,197	1,371,403	7,682,710
State and local grants										
and contracts Sales and services of	5,168,120	4,639,282	5,560,486	4,876,920	5,643,279	7,339,869	6,951,742	7,453,230	10,408,398	9,253,858
educational departments	1,068,682	900,534	946,109	1,011,860	995,038	1,054,819	1,051,580	1,007,314	859,381	634,436
Auxiliary enterprises	442,157	366,600	430,994	813,717	935,705	1,198,218	744,380	390,667	424,265	400,570
Other operating revenues	496,317	715,304	528,527	135,722	48,124	313,016	313,386	236,469	228,840	208,459
Total operating revenues	\$17,158,944	\$17,308,774	\$19,454,967	\$20,136,915	\$20,737,130	\$21,996,619	\$22,038,683	\$23,018,835	\$24,094,635	\$28,696,805
Expenses										
Operating Expenses										
Salaries	\$20,125,267	\$18,846,144	\$19,152,741	\$19,651,768	\$19,649,525	\$20,521,878	\$20,437,768	\$19,663,933	\$19,712,454	\$18,868,559
Benefits	5,447,966	5,508,023	5,632,335	6,260,789	6,222,087	7,234,112	8,799,609	9,171,107	8,227,805	8,873,939
Scholarships	7,411,907	5,185,587	6,496,646	5,673,890	6,133,061	6,023,983	5,337,542	5,082,020	5,233,814	7,785,587
Utilities	939.880	993,012	1,098,294	1,173,160	1,025,209	1,230,086	1,010,512	1,078,980	1,107,843	998,110
Supplies and other services	5,529,434	6,466,025	7,803,040	8,035,419	6,678,658	6,597,546	6,384,442	6,438,128	6,104,521	6,699,591
Depreciation	1,543,556	1,420,562	1,254,817	1,244,948	1,291,178	1,795,300	1,870,972	1,958,275	2,018,178	2,158,305
Total operating expenses	\$40,998,010	\$38,419,353	\$41,437,873	\$42,039,974	\$40,999,718	\$43,402,905	\$43,840,845	\$43,392,443	\$42,404,615	\$45,384,09
Operating income (loss)	-23,839,066	-21,110,579	-21,982,906	-21,903,059	-20,262,588	-21,406,286	-21,802,162	-20,373,608	-18,309,980	-16,687,286
Non-Operating Revenues (Expense	es)									
State appropriations										
Salary and fringes	5,357,821	5,609,783	5,817,784	5,971,235	6,383,557	6,788,289	7,216,140	7,801,168	8,311,103	8,514,932
Lottery technology funds	171,579	218,445	177,390	67,714	214,995	182,075	179,309	142,306	54,257	9,791
Other state appropriations	53,846	21,406	34,472	178,947	573,204	0	261,713	0	0	0
County appropriations	4,357,480	4,235,323	3,927,139	4,125,384	3,966,057	4,125,384	4,170,631	4,305,636	4,468,023	4,645,450
Interest income	190,867	207,396	65,902	101,983	121,645	97,499	116,573	149,038	167,585	114,090
Unrealized Gain/Loss on Invest	0	0	34,847	27,619	72,771	-119,690	-134,746	162,516	165,717	-126,199
Federal grants and contracts	13,927,451	10,978,488	11,961,817	10,904,920	9,406,159	8,437,107	7,979,905	6,965,761	6,561,944	7,302,031
State and local grants	400,000			0	_	0	0	_	_	0
and contracts Other non-operating revenues	166,893 48,474	0 49,585	0 49,585	0 61,532	0 186,811	0 0	0 0	0 0	0 207,694	0 253,866
Net non-operating revenues	\$24,274,411	\$21,320,426	\$22,068,936	\$21,439,334	\$20,925,199	\$19,510,664	\$19,789,525	\$19,526,425	\$19,936,323	\$20,713,96
Income before other revenues	435,345	209,847	86,030	-463,725	662,611	-1,895,622	-2,012,637	-847,183	1,626,343	4,026,674
Gains and (Losses)	0	0	0	-\$2,032	\$1,217	\$0	\$0	\$0	\$0	\$0
Capital Appropriations										
State capital appropriations	0	182,546	288,927	592,928	274,665	780,585	593,756	129,438	1,571,231	781,479
Local capital appropriations	1,240,592	514,545	1,524,688	424,508	777,550	465,213	888,416	1,452,186	422,048	375,985
Increase (Decrease)										

E: 17 E 1 1 1 00	0040	0040	0011	0045	0040	2047	0040	2010	0000	in thousands
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total Revenues	\$ 42,673,947	\$ 39,326,291	\$ 43,337,518	\$ 42,593,685 \$	42,715,761 \$	42,753,082 \$	43,310,383 \$	44,126,884 \$	46,024,237 \$	50,568,229
Total Expenses	40,998,010	38,419,353	41,437,873	42,042,006	40,999,718	43,402,905	43,840,845	43,392,443	42,404,615	45,384,091
Increase (Decrease) in Net Assets	\$1,675,937	\$906,938	\$1,899,645	\$551,679	\$1,716,043	-\$649,823	-\$530,462	\$734,441	\$3,619,622	\$5,184,138
								expressed as	a percent of total re	enues/expenses
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	%	%	%	%	%	%	%	%	%	%
Revenues Operating Revenues	40.4	22.9	00.5	20.0	20.0	05.0	07.4	00.0	00.5	20.0
Student tuition and fees, net Federal grants and contracts State and local grants	18.1 5.3	4.3	23.5 4.1	26.8 4.4	26.6 4.1	25.6 2.7	27.1 2.9	28.3 3.3	23.5 3.0	20.8 15.2
and contracts Sales and services of	12.1	11.8	12.8	11.4	13.2	17.2	16.1	16.9	22.6	18.3
educational departments Auxiliary enterprises Other operating revenues	2.5 1.0 1.2	2.3 0.9 1.8	2.2 1.0 1.2	2.4 1.9 0.3	2.3 2.2 0.1	2.5 2.8 0.7	2.4 1.7 0.7	2.3 0.9 0.5	1.9 0.9 0.5	1.3 0.8 0.4
Total operating revenues	40	44	45	47	49	51	51	52	52	57
Expenses Operating Expenses *	1 40.4	40.4	40.0	40.7	47.0	47.0	40.0	45.0	40.5	44.0
Salaries Benefits	49.1 13.3	49.1 14.3	46.2 13.6	46.7 14.9	47.9 15.2	47.3 16.7	46.6 20.1	45.3 21.1	46.5 19.4	41.6 19.6
Scholarships	18.1	13.5	15.7	13.5	15.0	13.9	12.2	11.7	12.3	17.2
Utilities Supplies and other services	2.3 13.5	2.6 16.8	2.7 18.8	2.8 19.1	2.5 16.3	2.8 15.2	2.3 14.6	2.5 14.8	2.6 14.4	2.2 14.8
Depreciation	3.8	3.7	3.0	3.0	3.1	4.1	4.3	4.5	4.8	4.8
Total operating expenses	100	100	100	100	100	100	100	100	100	100
Operating income (loss)	(55.9)	(53.7)	(50.7)	(51.4)	(47.4)	(50.1)	(50.3)	(46.2)	(39.8)	(33.0)
Non-Operating Revenues (Expense State appropriations	es)									
Salary and fringes	12.6	14.3	13.4	14.0	14.9	15.9	16.7	17.7	18.1	16.8
Lottery technology funds	0.4	0.6	0.4	0.2	0.5	0.4	0.4	0.3	0.1	0.0
Other state appropriations County appropriations	0.1 10.2	0.1 10.8	0.1 9.1	0.4 9.7	1.3 9.3	0.0 9.6	0.6 9.6	0.0 9.8	0.0 9.7	0.0 9.2
Interest income	0.4	0.5	0.2	0.2	0.3	0.2	0.3	0.3	0.4	0.2
Unrealized Gain/Loss on Invest	0.0	0.0	0.0	0.1	0.2	(0.3)	(0.3)	0.4	0.4	(0.2)
Federal grants and contracts State and local grants	32.6	27.9	27.6	25.6	22.0	19.7	18.4	15.8	14.3 0.0	14.4 0.0
and contracts	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-operating revenues	0.1	0.1	0.1	0.1	0.4	0.0	0.0	0.0	0.5	0.5
Net non-operating revenues	56.9	54.2	50.9	50.3	49.0	45.6	45.7	44.3	43.3	41.0
Income before other revenues	1.0	0.5	0.2	(1.1)	1.6	(4.4)	(4.6)	(1.9)	3.5	8.0
Gains and (Losses) *	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital Appropriations										
Federal capital appropriation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
State capital appropriations Local capital appropriations	0.0 2.9	0.5 1.3	0.7 3.5	1.4 1.0	0.6 1.8	1.8 1.1	1.4 2.1	0.3 3.3	3.4 0.9	1.5 0.7
Increase (Decrease) in Net Position	3.9	2.3	4.4	1.3	4.0	(1.5)	(1.2)	1.7	7.9	10.3

^{*} expressed as a percent of total expense

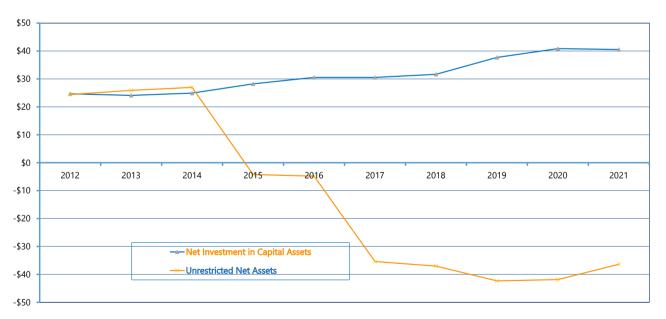
CHANGES IN NET POSITION (CONTINUED) LAST TEN FISCAL YEARS

									(decrease) from	
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
B	%	%	%	%	%	%	%	%	%	%
Revenues										
Operating Revenues	4.4	16.5	13.5	11.8	(O E)	(2 E)	7.2	6.4	(42 E)	(2.6)
Student tuition and fees, net			5.2	6.0	(0.5)	(3.5)	8.6	16.4	(13.5)	(2.6)
Federal grants and contracts State and local grants	(52.8)	(25.2)	5.2	6.0	(6.7)	(35.5)	0.0	10.4	(4.7)	460.2
and contracts	7.6	(10.2)	19.9	(12.2)	15.7	30.1	(F 2)	7.2	39.6	(11.1)
Sales and services of	7.0	(10.2)	0.0	(12.3)	15.7	30.1	(5.3)	1.2	39.0	(11.1)
	1.4	(15.7)	5.1	6.9	(1.7)	6.0	(0.3)	(4.2)	(14.7)	(26.2)
educational departments Auxiliary enterprises	(26.1)	(17.1)	17.6	88.8	15.0	28.1	(37.9)	(4.2)	8.6	(5.6)
Other operating revenues	(16.4)	44.1	(26.1)	74.3	(64.5)	550.4	0.1	(24.5)	(3.2)	(8.9)
Other operating revenues	1 (10.4)1	44.1	(20.1)	74.5	(04.5)	330.4	0.1 _	(24.5)	(3.2)	(0.9)
Total operating revenues	(10.8)	0.9	12.4	3.5	3.0	6.1	0.2	4.4	4.7	19.1
Expenses	(1010)									
Operating Expenses										
Salaries	(0.8)	(6.4)	1.6	2.6	(0.01)	4.44	(0.41)	(3.79)	0.25	(4.28)
Benefits	1.2	1.1	2.3	11.2	(0.62)	16.27	21.64	4.22	(10.29)	7.85
Scholarships	16.5	(30.0)	25.3	(12.7)	`8.09	(1.78)	(11.40)	(4.79)	` 2.99 [′]	48.76
Utilities	(13.6)	5.7	10.6	` 6.8 [′]	(12.61)	19.98	(17.85)	6.78	2.68	(9.91)
Supplies and other services	(26.3)	16.9	20.7	3.0	(16.88)	(1.21)	(3.23)	0.84	(5.18)	9.75
Depreciation	(1.8)	(8.0)	(11.7)	(8.0)	3.71	39.04	4.22	4.67	3.06	6.94
T-4-1	(0.0)	(0.0)	7.0	4.5	(0.47)	5.00	4.04	(4.00)	(0.00)	7.00
Total operating expenses	(2.9)	(6.3)	7.9	1.5	(2.47)	5.86	1.01	(1.02)	(2.28)	7.03
Operating income (loss)	3.8	(11.4)	4.1	(0.4)	(7.49)	5.64	1.85	(6.55)	(10.13)	(8.86)
Non-Operating Revenues (Expenses	s)									
State appropriations										
Salary and fringes	(3.3)	4.7	3.7	2.6	6.91	6.34	6.30	8.11	6.54	2.45
Lottery technology funds	44.4	27.3	(18.8)	(61.8)	217.50	(15.31)	(1.52)	(20.64)	(61.87)	(81.95)
Other state appropriations	n/a	(60.2)	61.0	419.1	220.32	(100.00)	-	-	-	-
County appropriations	2.9	(2.8)	(7.3)	5.0	(3.86)	4.02	1.10	3.24	3.77	3.97
Interest income	40.2	8.7	(68.2)	54.7	19.28	(19.85)	19.56	27.85	12.44	(31.92)
Unrealized Gain on Invest.	0.0	0.0	0.0	(20.7)	163.48	(264.47)	12.58	(220.61)	1.97	(176.15)
Federal grants and contracts	(10.0)	(21.2)	9.0	(8.8)	(13.74)	(10.30)	(5.42)	(12.71)	(5.80)	11.28
State and local grants										
and contracts	(76.7)	(100.0)	0.0	0.0		-	-	-	-	-
Other non-operating revenues	n/a	2.3	0.0	24.1	203.60	2.04	- 1	- 1	- 1	-
Net non-operating revenues	(7.4)	(12.2)	3.5	(2.9)	(2.40)	(6.76)	1.43	(1.33)	2.10	3.90
	,	,		` ′	, ,	,		, í		
Income before other revenues	(86.7)	(51.8)	(59.0)	(639.0)	(242.89)	(386.08)	6.17	(57.91)	(291.97)	147.59
Gains and (Losses) Capital Appropriations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal capital appropriation	0.0	0.0	0.0	0.0	_ 1	_ 1	2.1	_ 1	2.1	
State capital appropriations	0.0	0.0	58.3	105.2	(53.68)	184.20	(23.93)	(78.20)	- 1,113.89	(50.26)
Local capital appropriations	0.0	(58.5)	196.3	(72.2)	83.16	(40.17)	90.97	63.46	(70.94)	(10.91)
<u>госаї сарікаї арргоріїалюті</u> я	1 0.0 1	(36.3)	190.3	(12.2)	03.10	(+0.17)	30.31	00.40	(10.54)	(10.91)
Increase (Decrease)										
in Net Position	(48.7)	(45.9)	109.5	(71.0)	211.06	(137.87)	(18.37)	(238.45)	392.84	43.22

											in thousands
Fiscal Year Ended June 30,	20	12	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net Investment in Capital Assets	\$24	682,412	\$24,104,833	\$24,922,648	\$28,249,414	\$30,542,683	\$30,549,524	\$31,662,609	\$37,690,955	\$40,853,465	\$40,542,814
Unrestricted Net Assets	24	408,476	25,892,993	26,974,823	-4,232,652	-4,809,878	-35,380,905	-37,024,452	-42,318,357	-41,861,113	-36,366,324
Total Net Assets	\$49,0	90,888	\$49,997,826	\$51,897,471	\$24,016,762	\$25,732,805	-\$4,831,381	-\$5,361,843	-\$4,627,402	-\$1,007,648	\$4,176,490

									exp	oressed as a perce	nt of the total
Fiscal Year Ended June 30,		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
		%	%	%	%	%	%	%	%	%	%
	1		1	i	i	1	1	1	i	1	
Net Investment in Capital Assets		50.3	48.2	48.0	117.6	118.7	-632.3	-590.5	-814.5	-4054.3	970.7
Unrestricted Net Assets	Τ	49.7 _	51.8 <u> </u>	52.0 <u>↓</u>	-17.6 <u></u>	-18.7 <u> </u>	732.3 _	690.5	914.5	4154.3	-870.7
Total Net Assets		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

								percentage incre	ease (decrease) fro	om prior year
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	%	%	%	%	%	%	%	%	%	%
Net Investment in Capital Assets * Unrestricted Net Assets	-2.0 9.8	-2.3 6.1	3.4 4.2	13.3 -115.7	8.1 13.6	0.0 635.6	3.6 4.6	19.0 14.3	8.4 -1.1	-0.8 -13.1
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021



Comparison of Net Assets by Component (in millions)

^{*} For the fiscal year ended June 30, 2015 the College implemented GASB 68.

** For the fiscal year ened June 30, 2018, the College implemented GASB 74/75.

OPERATING EXPENSES BY FUNCTION LAST TEN FISCAL YEARS

										in thousands
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Expenses by Fund	tion									
Instruction	\$ 16,358,451	\$ 15,821,521	\$ 16,186,455	\$ 16,418,628	\$ 17,119,411	\$ 16,747,667	\$ 16,823,037	\$ 16,359,192	\$ 15,582,652	\$ 15,613,301
Academic Support	3,572,024	3,545,077	4,091,648	3,698,873	2,340,851	4,644,312	4,966,828	4,631,371	4,368,449	4,836,497
Student Support	3,427,888	3,336,600	3,258,837	4,584,303	4,393,607	3,309,662	3,462,979	3,458,604	3,144,442	3,402,381
Maint/Operations	4,035,709	3,717,495	4,183,345	4,831,774	3,392,531	4,426,975	4,143,933	4,314,759	4,805,967	4,284,585
Institutional Support	4,659,747	5,389,722	5,965,567	5,157,045	5,844,090	5,828,921	6,760,694	7,542,797	7,204,816	7,254,549
Scholarships	7,411,907	5,185,587	6,496,646	5,673,890	6,133,061	6,023,983	5,337,542	5,082,020	5,233,814	7,785,587
Auxiliary Enterprises	(11,272)	2,789	558	430,513	484,989	626,083	474,860	45,425	46,297	48,887
Depreciation	1,543,556	1,420,562	1,254,817	1,244,948	1,291,178	1,795,300	1,870,972	1,958,275	2,018,178	2,158,305
Total Operating Expenses										
by Function	\$ 40,998,010	\$ 38,419,353	\$ 41,437,873	\$ 42,039,974	\$ 40,999,718	\$ 43,402,903	\$ 43,840,845	\$ 43,392,443	\$ 42,404,615	\$ 45,384,091

									expressed as a per	cent of the total
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	%	%	%	%	%	%	%	%	%	%
Instruction	39.9	41.2	39.1	39.1	41.8	38.6	38.4	37.7	36.7	34.4
Academic Support	8.7	9.2	9.9	8.8	5.7	10.7	11.3	10.7	10.3	10.7
Student Support	8.4	8.7	7.9	10.9	10.7	7.6	7.9	8.0	7.4	7.5
Maint/Operations	9.8	9.7	10.1	11.5	8.3	10.2	9.5	9.9	11.3	9.4
Institutional Support	11.4	14.0	14.4	12.3	14.3	13.4	15.4	17.4	17.0	16.0
Scholarships	18.1	13.5	15.7	13.5	15.0	13.9	12.2	11.7	12.3	17.2
Auxiliary Enterprises	(0.0)	0.0	0.0	1.0	1.2	1.4	1.1	0.1	0.1	0.1
Depreciation	3.8	3.7	3.0	3.0	3.1	4.1	4.3	4.5	4.8	4.8
Total Operating Expenses by Function	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

								percent i i	ncrease (decrease)	from prior year
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	%	%	%	%	%	%	%	%	%	%
Instruction	(10.6)	(3.3)	2.3	1.43	4.3	-2.2	0.5	-2.8	-4.7	0.2
Academic Support	20.3	(0.8)	15.4	-9.60	-36.7	98.4	6.9	-6.8	-5.7	10.7
Student Support	(22.9)	(2.7)	(2.3)	40.67	-4.2	-24.7	4.6	-0.1	-9.1	8.2
Maint/Operations	(8.2)	(7.9)	12.5	15.50	-29.8	30.5	-6.4	4.1	11.4	-10.8
Institutional Support	18.3	15.7	10.7	-13.55	13.3	-0.3	16.0	11.6	-4.5	0.7
Scholarships	16.5	(30.0)	25.3	-12.66	8.1	-1.8	-11.4	-4.8	3.0	48.8
Auxiliary Enterprises *	(105.2)	(124.7)	(80.0)	77052.9	12.7	29.1	-24.2	-90.4	1.9	5.6
Depreciation	(1.8)	(8.0)	(11.7)	-0.79	3.7	39.0	4.2	4.7	3.1	6.9
	<u> </u>		<u> </u>	<u> </u>			<u>_</u>	<u> </u>	<u> </u>	
Total Operating Expenses by Function	-2.9	-6.3	7.9	1.5	-2.5	5.9	1.0	-1.0	-2.3	7.0
-										

Auxiliary Enterprises expenses include the Hood Center 2015-2018.

OPERATING EXPENSES BY ACTIVITY LAST TEN FISCAL YEARS

										in thousands
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Expenses by Activi	rity									
Salaries	\$20,125,267	\$18,846,144	\$19,152,741	\$19,651,768	\$19,649,525	\$20,521,878	\$20,437,768	\$19,663,933	\$19,712,454	\$18,868,55
Benefits			5,632,335							
	5,447,966	5,508,023		6,260,789	6,222,087	7,234,110	8,799,609	9,171,107	8,227,805	8,873,939
Scholarships	7,411,907	5,185,587	6,496,646	5,673,890	6,133,061	6,023,983	5,337,542	5,082,020	5,233,814	7,785,587
Utilities	939,880	993,012	1,098,294	1,173,160	1,025,209	1,230,086	1,010,512	1,078,980	1,107,843	998,110
Supplies and Other Services	5,529,434	6,466,025	7,803,040	8,035,419	6,678,658	6,597,546	6,384,442	6,438,128	6,104,521	6,699,59
Depreciation	1,543,556	1,420,562	1,254,817	1,244,948	1,291,178	1,795,300	1,870,972	1,958,275	2,018,178	2,158,305
Total Operating Expenses										
by Activity	\$40,998,010	\$38,419,353	41,437,873	\$42,039,974	\$40,999,718	\$43,402,903	\$43,840,845	\$43,392,443	\$42,404,615	\$45,384,09
									expressed as a per	cent of the tots
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	%	%	%	%	%	%	%	%	%	%
Salaries	49.1	49.1	46.2	46.7	47.9	47.3	46.6	45.3	46.5	41.6
Benefits	13.3	14.3	13.6	14.9	15.2	16.7	20.1	21.1	19.4	19.6
Scholarships	18.1	13.5	15.7	13.5	15.0	13.9	12.2	11.7	12.3	17.2
Utilities	2.3	2.6	2.7	2.8	2.5	2.8	2.3	2.5	2.6	2.2
Supplies and Other Services	13.5	16.8	18.8	19.1	16.3	15.2	14.6	14.8	14.4	14.8
	3.8									4.8
Depreciation	3.0	3.7	3.0	3.0	3.1	4.1	4.3	4.5	4.8	4.0
Total Operating Expenses										
by Activity	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
								percent in	crease (decrease)	from prior year
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	percent in 2019	crease (decrease)	from prior year 2021
Fiscal Year Ended June 30,	2012 %	2013 %	2014 %	2015 %	2016 %	2017 %	2018 %			
	%	%	%	%	%	%	%	2019 %	2020 %	2021 %
Salaries	(0.8)	% (6.4)	% 1.6	% 2.6	% (0.0)	% 4.4	% (0.4)	2019 % (3.8)	2020 %	2021 % (4.3
Salaries Benefits	% (0.8) 1.2	% (6.4) 1.1	% 1.6 2.3	% 2.6 11.2	% (0.0) (0.6)	% 4.4 16.3	% (0.4) 21.6	2019 % (3.8) 4.2	2020 % 0.2 (10.3)	2021 % (4.3
Salaries Benefits Scholarships	% (0.8) 1.2 16.5	% (6.4) 1.1 (30.0)	% 1.6 2.3 25.3	% 2.6 11.2 (12.7)	% (0.0) (0.6) 8.1	% 4.4 16.3 (1.8)	% (0.4) 21.6 (11.4)	2019 % (3.8) 4.2 (4.8)	2020 % 0.2 (10.3) 3.0	2021 % (4.3 7.9 48.8
Salaries Benefits Scholarships Jtilities	% (0.8) 1.2 16.5 (13.6)	% (6.4) 1.1 (30.0) 5.7	% 1.6 2.3 25.3 10.6	% 2.6 11.2 (12.7) 6.8	% (0.0) (0.6) 8.1 (12.6)	% 4.4 16.3 (1.8) 20.0	% (0.4) 21.6 (11.4) (17.9)	2019 % (3.8) 4.2 (4.8) 6.8	2020 % 0.2 (10.3) 3.0 2.7	2021 % (4.3 7.9 48.8 (9.9
Salaries Benefits Scholarships Utilities Supplies and Other Services	% (0.8) 1.2 16.5 (13.6) (26.3)	% (6.4) 1.1 (30.0) 5.7 16.9	% 1.6 2.3 25.3 10.6 20.7	% 2.6 11.2 (12.7) 6.8 3.0	% (0.0) (0.6) 8.1 (12.6) (16.9)	% 4.4 16.3 (1.8) 20.0 (1.2)	% (0.4) 21.6 (11.4) (17.9) (3.2)	2019 % (3.8) 4.2 (4.8) 6.8 0.8	2020 % 0.2 (10.3) 3.0 2.7 (5.2)	2021 % (4.3 7.9 48.8 (9.9 9.7
Salaries Benefits Scholarships Utilities Supplies and Other Services	% (0.8) 1.2 16.5 (13.6)	% (6.4) 1.1 (30.0) 5.7	% 1.6 2.3 25.3 10.6	% 2.6 11.2 (12.7) 6.8	% (0.0) (0.6) 8.1 (12.6)	% 4.4 16.3 (1.8) 20.0	% (0.4) 21.6 (11.4) (17.9)	2019 % (3.8) 4.2 (4.8) 6.8	2020 % 0.2 (10.3) 3.0 2.7	2021 % (4.3 7.9 48.8 (9.9 9.7
Fiscal Year Ended June 30, Salaries Benefits Scholarships Utilities Supplies and Other Services Depreciation Total Operating Expenses	% (0.8) 1.2 16.5 (13.6) (26.3)	% (6.4) 1.1 (30.0) 5.7 16.9	% 1.6 2.3 25.3 10.6 20.7	% 2.6 11.2 (12.7) 6.8 3.0	% (0.0) (0.6) 8.1 (12.6) (16.9)	% 4.4 16.3 (1.8) 20.0 (1.2)	% (0.4) 21.6 (11.4) (17.9) (3.2)	2019 % (3.8) 4.2 (4.8) 6.8 0.8	2020 % 0.2 (10.3) 3.0 2.7 (5.2)	2021

CURRENT UNRESTRICTED EXPENSES PER ANNUALIZED CREDIT STUDENT LAST TEN FISCAL YEARS

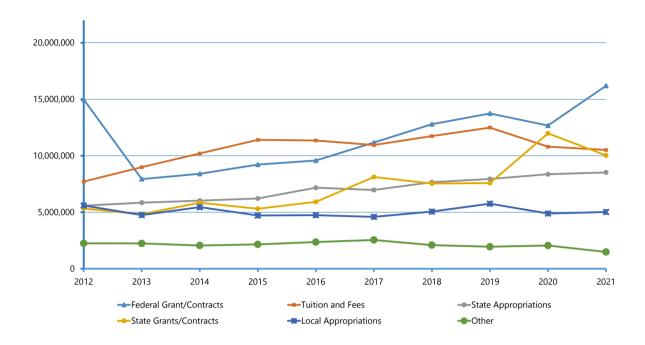
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Current Unrestricted Expenses										
Education and General										
Instruction	\$14,088,688	\$13,556,588	\$14,296,012	\$15,113,290	\$17,427,731	\$17,569,859	\$15,598,329	\$15,134,484	\$14,376,785	\$14,407,434
Academic Support Student Support Operation and Maintenance &	3,309,485 2,295,470	3,250,011 2,376,521	3,477,777 2,431,269	3,741,842 3,137,256	2,414,922 4,458,864	2,449,068 4,488,946	4,966,828 3,462,979	4,631,371 3,458,604	4,368,449 314,442	4,836,497 3,402,381
Plant Administrative and General	3,450,187 4,655,865	3,546,776 5,393,723	3,534,643 6,342,772	3,749,889 5,510,986	1,532,772 5,921,382	1,551,238 5,957,012	1,823,331 6,760,694	1,898,494 7,542,797	2,114,625 7,204,816	1,885,217 7,254,549
							, .,,,,			
Total Education and General	\$27,799,695	\$28,123,619	\$30,082,473	\$31,253,262	\$31,755,671	\$32,016,123	\$32,612,160	\$ 32,665,750	\$ 28,379,117	\$ 31,786,078
Annualized Credit Enrollment	4,004	3,572	3,839	3,718	3,457	3,418	3,378	3,172	3,360	3,047
Total FTE	4,004	3,572	3,839	3,718	3,457	3,418	3,378	3,172	3,360	3,047
Expense per student FTE	\$6,943	\$7,873	\$7,836	\$8,406	\$9,186	\$9,367	\$9,654	\$10,298	\$8,446	\$10,432
	Ψ0,010	\$7,070	<i>\$1</i> ,000	\$0,100	\$0,100	20,001	70,001	Ţ 10,200	ψο, 110	Ţ 10, 10 <u>2</u>

Annualized Enrollment is the unduplicated number of students enrolling in credit courses during an academic year for fall, spring and summer semesters. EXCLUDES Auxiliary Funds, Corporate and Continuing Education and Restricted Funds

source: SBTCE tWeb Dashboard summarites Annualized enrollment fast facts

REVENUE CAPACITY

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										in thousands
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Federal Grant/Contracts Tuition and Fees State Appropriations State Grants/Contracts Local Appropriations Other	\$16,194,429 7,716,690 5,583,246 5,335,013 5,598,072 2,247,608	\$12,674,533 8,991,009 5,849,634 4,821,828 4,749,868 2,239,419	\$13,745,716 10,204,952 6,029,646 5,849,413 5,451,827 2,055,964	\$12,795,653 11,407,963 6,217,896 5,307,798 4,711,942 2,152,433	\$11,169,670 11,351,473 7,171,756 5,917,944 4,743,607 2,361,365	\$9,575,437 10,952,367 6,970,364 8,120,454 4,590,597 2,543,862	\$9,216,365 11,741,135 7,657,162 7,545,498 5,059,050 2,091,173	\$8,404,958 12,491,958 7,943,474 7,582,668 5,757,822 1,946,004	\$7,933,347 10,802,348 8,365,360 11,979,629 4,890,071 2,053,482	\$14,984,741 10,516,772 8,524,723 10,035,337 5,021,435 1,485,222
Total Revenue	\$ 42,675,058 \$	39,326,291 \$	43,337,518	42,593,685	\$ 42,715,815	\$ 42,753,081	\$ 43,310,383 \$	44,126,884	\$ 46,024,237	50,568,229
									expressed as a	percent of total
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Federal Grant/Contracts Tuition and Fees State Appropriations State Grants/Contracts Local Appropriations Other	37.9 18.1 13.1 12.5 13.1 5.3	32.2 22.9 14.9 12.3 12.1 5.7	31.7 23.5 13.9 13.5 12.6 4.7	30.0 26.8 14.6 12.5 11.1 5.1	26.1 26.6 16.8 13.9 11.1 5.5	22.4 25.6 16.3 19.0 10.7 6.0	21.3 27.1 17.7 17.4 11.7 4.8	19.0 28.3 18.0 17.2 13.0 4.4	17.2 23.5 18.2 26.0 10.6 4.5	29.6 20.8 16.9 19.8 9.9 2.9
Total Revenue	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
								percentage in	crease (decrease) t	from prior vear
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Federal Grant/Contracts Tuition and Fees State Appropriations State Grants/Contracts Local Appropriations Other	(20.1) 4.4 (12.5) 11.1 32.2 (5.6)	(21.7) 16.5 4.8 (9.6) (15.2) (0.4)	8.5 13.5 3.1 21.3 14.8 (8.2)	(6.9) 11.8 3.1 (9.3) (13.6) 4.7	(12.7) (0.5) 15.3 11.5 0.7 9.7	(14.3) (3.5) (2.8) 37.2 (3.2) 7.7 _	(3.7) 7.2 9.9 (7.1) 10.2 (17.8)	(8.8) 6.4 3.7 0.5 13.8 (6.9)	(5.6) (13.5) 5.3 58.0 (15.1) 5.5	88.9 (2.6) 1.9 (16.2) 2.7 (27.7)
Total Revenue	(6.1)	(7.8)	10.2	(1.7)	0.3	0.1	1.3	1.9	4.3	9.9

TUITION AND REQUIRED FEES - FULL TIME UNDERGRADUATE SOUTH CAROLINA PUBLIC TWO YEAR INSTITUTIONS LAST 10 ACADEMIC YEARS

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
\$3,722	\$ 3,866	\$ 3,972	\$ 4,098	\$ 4,262	\$ 4,348	\$ 4,468	\$ 4,656	\$ 4,826	\$ 4,946
3,476	3,584	3,720	3,840	3,960	4,320	4,440	4,608	4,752	4,896
2,500	2,568	2,568	2,624	3,580	3,787	4,440	4,440	4,566	4,860
3,658	3,766	3,838	3,934	4,078	4,174	4,270	4,462	4,606	4,606
3,748	3,866	3,974	4,094	4,224	4,326	4,422	4,590	4,778	4,778
3,530	3,530	3,590	3,854	3,960	4,036	4,108	4,252	4,372	4,372
3,706	3,788	3,838	3,888	3,988	4,064	4,318	4,530	4,788	4,788
3,438	3,534	3,630	3,726	3,846	4,090	4,110	4,158	4,518	4,902
3,554	3,650	3,770	3,890	4,010	4,130	4,250	4,466	4,610	4,730
3,572	3,714	3,850	3,958	4,084	4,228	4,300	4,456	4,582	4,582
3,740	3,820	3,940	4,064	4,192	4,300	4,444	4,662	4,782	4,902
3,676	3,772	3,940	4,060	4,180	4,276	4,516	4,684	4,852	5,140
3,570	3,648	3,744	3,852	3,967	4,050	4,172	4,327	4,448	4,448
3,600	3,712	3,823	3,942	4,070	4,156	4,280	4,439	4,563	4,563
3,438	3,540	3,650	3,756	4,008	4,080	4,224	4,368	4,488	4,488
3,628	3,712	3,744	3,840	3,960	4,056	4,176	4,344	4,532	4,562
\$3,535	\$3,629	\$3,724	\$3,839	\$4.023	\$4.151	\$4.309	\$4.465	\$4.629	\$4,723
			<u> </u>					· ,	. ,
\$6,092	\$6 284	\$6.482	\$ 6 686	\$ 7 008	\$ 7 232	\$ 7 <u>4</u> 78	\$ 7 558	\$ 7558	\$ 7,558
									7,558
·		,	,			· ·			7,558
6,092	6,284	6,482	6,686	6,908	7,132	7,388	7,558	7,558	7,558
	\$3,722 3,476 2,500 3,658 3,748 3,530 3,706 3,438 3,554 3,572 3,740 3,676 3,570 3,600 3,438 3,628 \$3,535 \$6,092 6,092 6,092	\$3,722 \$3,866 3,476 3,584 2,500 2,568 3,658 3,766 3,748 3,866 3,530 3,530 3,706 3,788 3,438 3,534 3,554 3,650 3,572 3,714 3,740 3,820 3,676 3,772 3,570 3,648 3,600 3,712 3,438 3,540 3,628 3,712 \$3,535 \$3,629 \$6,092 \$6,284 6,092 6,284 6,092 6,284	\$3,722 \$3,866 \$3,972 3,476 3,584 3,720 2,500 2,568 2,568 3,658 3,766 3,838 3,748 3,866 3,974 3,530 3,530 3,590 3,706 3,788 3,838 3,438 3,534 3,630 3,554 3,650 3,770 3,572 3,714 3,850 3,740 3,820 3,940 3,676 3,772 3,940 3,570 3,648 3,744 3,600 3,712 3,823 3,438 3,540 3,650 3,628 3,712 3,744 \$3,535 \$3,629 \$3,724	\$3,722 \$3,866 \$3,972 \$4,098 3,476 3,584 3,720 3,840 2,500 2,568 2,568 2,624 3,658 3,766 3,838 3,934 3,748 3,866 3,974 4,094 3,530 3,530 3,590 3,854 3,706 3,788 3,838 3,888 3,438 3,534 3,630 3,726 3,554 3,650 3,770 3,890 3,572 3,714 3,850 3,958 3,740 3,820 3,940 4,064 3,676 3,772 3,940 4,060 3,570 3,648 3,744 3,852 3,600 3,712 3,823 3,942 3,438 3,540 3,650 3,756 3,628 3,712 3,744 3,840 \$3,535 \$3,629 \$3,724 \$3,839 \$6,092 \$6,284 \$6,482 \$6,686 6,092 6,284 6,482 6,686	\$3,722 \$3,866 \$3,972 \$4,098 \$4,262 3,476 3,584 3,720 3,840 3,960 2,500 2,568 2,568 2,624 3,580 3,658 3,766 3,838 3,934 4,078 3,748 3,866 3,974 4,094 4,224 3,530 3,530 3,590 3,854 3,960 3,706 3,788 3,838 3,888 3,988 3,438 3,534 3,630 3,726 3,846 3,554 3,650 3,770 3,890 4,010 3,572 3,714 3,850 3,958 4,084 3,740 3,820 3,940 4,064 4,192 3,676 3,772 3,940 4,060 4,180 3,570 3,648 3,744 3,852 3,967 3,600 3,712 3,823 3,942 4,070 3,438 3,540 3,650 3,756 4,008 3,628 3,712 3,744 3,840 3,960 \$3,535 \$3,629 \$3,724 \$3,839 \$4,023	\$3,722 \$3,866 \$3,972 \$4,098 \$4,262 \$4,348 3,476 3,584 3,720 3,840 3,960 4,320 2,500 2,568 2,568 2,624 3,580 3,787 3,658 3,766 3,838 3,934 4,078 4,174 3,748 3,866 3,974 4,094 4,224 4,326 3,530 3,530 3,590 3,854 3,960 4,036 3,706 3,788 3,838 3,888 3,988 4,064 3,438 3,534 3,630 3,726 3,846 4,090 3,554 3,650 3,770 3,890 4,010 4,130 3,572 3,714 3,850 3,958 4,084 4,228 3,740 3,820 3,940 4,064 4,192 4,300 3,676 3,772 3,940 4,064 4,192 4,300 3,676 3,772 3,940 4,060 4,180 4,276 3,570 3,648 3,744 3,852 3,967 4,050 3,600 3,712 3,823 3,942 4,070 4,156 3,438 3,540 3,650 3,756 4,008 4,080 3,628 3,712 3,744 3,840 3,960 4,056 \$	\$3,722 \$3,866 \$3,972 \$4,098 \$4,262 \$4,348 \$4,468 3,476 3,584 3,720 3,840 3,960 4,320 4,440 2,500 2,568 2,568 2,624 3,580 3,787 4,440 3,658 3,766 3,838 3,934 4,078 4,174 4,270 3,748 3,866 3,974 4,094 4,224 4,326 4,422 3,530 3,530 3,590 3,854 3,960 4,036 4,108 3,706 3,788 3,838 3,888 3,988 4,064 4,318 3,438 3,534 3,630 3,726 3,846 4,090 4,110 3,554 3,650 3,770 3,890 4,010 4,130 4,250 3,572 3,714 3,850 3,958 4,084 4,228 4,300 3,740 3,820 3,940 4,064 4,192 4,300 4,444 3,676 3,772 3,940 4,060 4,180 4,276 4,516 3,570 3,648 3,744 3,852 3,967 4,050 4,172 3,600 3,712 3,823 3,942 4,070 4,156 4,280 3,438 3,540 3,650 3,756 4,008 4,080 4,224 3,628 3,712 3,744 3,840 3,960 4,056 4,176 \$\$3,535 \$3,629 \$3,724 \$3,839 \$4,023 \$4,151 \$4,309 \$\$\$6,092 \$6,284 \$6,482 \$6,686 \$7,008 \$7,232 \$7,478 6,092 \$6,284 \$6,482 \$6,686 6,928 7,152 7,438 \$\$\$	\$3,722 \$3,866 \$3,972 \$4,098 \$4,262 \$4,348 \$4,468 \$4,656 3,476 3,584 3,720 3,840 3,960 4,320 4,440 4,608 2,500 2,568 2,568 2,624 3,580 3,787 4,440 4,440 3,658 3,766 3,838 3,934 4,078 4,174 4,270 4,462 3,748 3,866 3,974 4,094 4,224 4,326 4,422 4,590 3,530 3,530 3,590 3,854 3,960 4,036 4,108 4,252 3,706 3,788 3,838 3,888 3,988 4,064 4,318 4,530 3,438 3,534 3,630 3,726 3,846 4,090 4,110 4,158 3,554 3,650 3,770 3,890 4,010 4,130 4,250 4,466 3,572 3,714 3,850 3,958 4,084 4,228 4,300 4,446 3,570 3,648 3,742 3,940 4,064 4,192 4,300 4,444 4,662 3,676 3,772 3,940 4,064 4,180 4,276 4,516 4,684 3,570 3,648 3,744 3,852 3,967 4,050 4,172 4,327 3,600 3,712 3,823 3,942 4,070 4,156 4,280 4,439 3,438 3,540 3,650 3,756 4,008 4,080 4,224 4,368 3,628 3,712 3,744 3,840 3,960 4,056 4,176 4,344 \$3,535 \$3,629 \$3,724 \$3,839 \$4,023 \$4,151 \$4,309 \$4,465 \$6,092 6,284 6,482 6,686 6,918 7,232 \$7,478 \$7,558 6,092 6,284 6,482 6,686 6,918 7,233 7,478 7,558 6,092 6,284 6,482 6,686 6,928 7,152 7,438 7,558	\$3,722 \$3,866 \$3,972 \$4,098 \$4,262 \$4,348 \$4,468 \$4,656 \$4,826 3,476 3,584 3,720 3,840 3,960 4,320 4,440 4,608 4,752 2,500 2,568 2,568 2,624 3,580 3,787 4,440 4,440 4,566 3,658 3,766 3,838 3,934 4,078 4,174 4,270 4,462 4,606 3,748 3,866 3,974 4,094 4,224 4,326 4,422 4,590 4,778 3,530 3,530 3,590 3,854 3,960 4,036 4,108 4,252 4,372 3,706 3,788 3,838 3,888 3,888 4,064 4,318 4,530 4,788 3,438 3,534 3,630 3,726 3,846 4,090 4,110 4,158 4,518 3,554 3,650 3,770 3,890 4,010 4,130 4,250 4,466 4,610 3,572 3,714 3,850 3,958 4,084 4,228 4,300 4,446 4,662 4,782 3,740 3,820 3,940 4,064 4,192 4,300 4,444 4,662 4,782 3,570 3,648 3,744 3,852 3,967 4,050 4,172 4,327 4,448 3,600 3,712 3,823 3,942 4,070 4,156 4,280 4,439 4,563 3,438 3,540 3,650 3,756 4,008 4,080 4,224 4,368 4,488 3,628 3,712 3,744 3,840 3,960 4,064 4,191 4,156 4,280 4,439 4,563 3,438 3,540 3,650 3,756 4,008 4,080 4,224 4,368 4,488 3,628 3,712 3,744 3,840 3,960 4,056 4,176 4,344 4,562 \$3,535 \$3,629 \$3,724 \$3,839 \$4,023 \$4,151 \$4,309 \$4,465 \$4,629 \$4,662 6,686 6,918 7,233 7,478 7,558 \$7,558 6,092 6,284 6,482 6,686 6,928 7,152 7,438 7,558 7,558 7,558 6,092 6,284 6,482 6,686 6,928 7,152 7,438 7,558 7,558 7,558

Source: http://www.che.sc.gov

DEBT CAPACITY

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LONG-TERM DEBT LAST TEN FISCAL YEARS

											in thousands
Fiscal Year Ended June 30,		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Notes Payable	1	213,018	\$0⊥	\$0_	\$0_	\$0 <u></u>	\$0	\$0	\$0⊥	\$0⊥	\$0
Total Long Term Debt		\$213,018	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
										in	whole dollars
Fiscal Year Ended June 30,		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Annual Credit Student FTE Annual Non-Credit Student FTE*	1	4,004 366	3,572 300	3,839 331	3,718 314	3,457 337	3,418 367	3,378 486	3,172	3,360	3,047
Outstanding Debt per Student		\$49	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

^{*} Corporate and Continuing Education contact hours are converted to full-time equivalent enrollment. ** Data unavailable.

DEMOGRAPHIC & ECONOMIC INFORMATION

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ADMISSIONS AND ENROLLMENT LAST TEN YEARS (FALL ENROLLMENT)

Fiscal Year Ended June 30,	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
ADMISSIONS											
Applications Applications Accepted Registered Accepted as a Percentage of Applications	5,387	4,297	4,890	4,872	5,129	4,356	4,052	4,533	4,403	5,098	4,101
	3,355	2,745	3,080	3,445	2,756	2,743	2,906	3,292	3,495	3,855	3,166
	2,640	2,394	1,855	1,931	1,732	1,808	1,941	1,849	1,907	2,743	1,993
	62.3%	63.9%	63.0%	70.7%	53.7%	63.0%	71.7%	72.6%	79.4%	75.6%	77.2%
Registered as a Percentage of Accepted	78.7%	87.2%	60.2%	56.1%	62.8%	65.9%	66.8%	56.2%	54.6%	71.2%	63.0%
ENROLLMENT											
Full-time Headcount Part-time Headcount Full- time Equivalents	2,950 3,050 3,916	2,649 2,972 3,585	2,295 2,554 3,129	2,478 2,552 3,349	2,482 2,579 3,369	2,239 2,514 3,084	2,251 2,287	2,067 2,186 *	2,278 2,251 *	2,143 2,035 *	2,143 2,035 3,047
Men (Headcount)	2,334	2,156	1,929	2,055	2,038	1,960	1,904	1,915	1,801	1,579	1,514
Percentage of Total	39%	38%	40%	41%	40%	41%	42%	45%	40%	38%	36%
Women (Headcount)	3,666	3,465	2,920	2,975	3,023	2,973	2,699	2,623	2,722	2,599	2,321
Percentage of Total	61%	62%	60%	59%	60%	63%	59%	62%	60%	62%	56%
Black (Headcount)	1,559	1,326	1,205	1,204	1,233	1,104	1,071	1,041	1,059	942	857
Percentage of Total	26%	24%	25%	24%	24%	23%	24%	24%	23%	23%	21%
White (Headcount) Percentage of Total	3,813	3,586	2,874	2,912	2,921	2,833	2,699	2,662	2,628	2,396	2,231
	64%	64%	59%	58%	58%	60%	59%	63%	58%	57%	53%
Other (Headcount) Percentage of Total	628	709	770	914	907	816	833	835	842	840	747
	10%	13%	16%	18%	18%	17%	18%	20%	19%	20%	18%
York County Residents	4,394	4,131	3,537	3,622	3,610	3,538	3,465	3,462	3,420	3,218	2,944
Percentage of Total	73.2%	73.5%	72.9%	72.0%	71.3%	74.4%	76.4%	81.4%	75.5%	77.0%	70.5%
Chester County Residents Percentage of Total	532 8.9%	500 8.9%	388 8.0%	419 8.3%	423 8.4%	385 8.1%	350 7.7%	323 7.6%	409 9.0%	338 8.1%	295 7.1%
Lancaster County Residents Percentage of Total	714 11.9%	623 11.1%	588 12.1%	601 11.9%	602 11.9%	509 10.7%	474 10.4%	439 10.3%	424 9.4%	390 9.3%	395 9.5%
Other In-State Residents	165	167	146	179	193	207	200	1 72	195	201 4.8%	475
Percentage of Total	2.8%	3.0%	3.0%	3.6%	3.8%	4.4%	4.4%	4.0%	4.3%		11.4%
Out-of-State Residents	195	200	190	209	233	114	115	142	81	31	21
Percentage of Total	3.3%	3.6%	3.9%	4.2%	4.6%	2.4%	2.5%	3.3%	1.8%	0.7%	0.5%

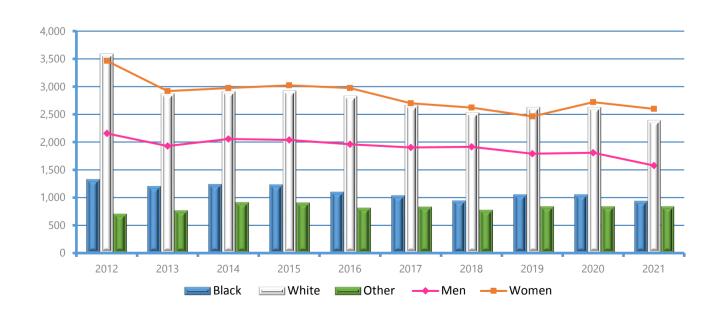
^{*} Unavailable at publication

ADMISSIONS AND ENROLLMENT (CONTINUED) LAST TEN YEARS (FALL ENROLLMENT)

APPLICATIONS AND ADMISSIONS

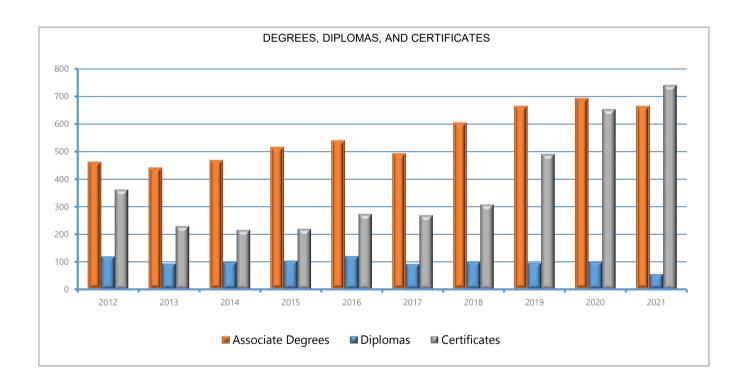


ENROLLMENT BY GENDER AND ETHNICITY



DEGREES AWARDED LAST TEN FISCAL YEARS

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
DEGREES AWARDED										
Associate Degrees	463	442	470	517	541	494	605	666	694	666
Diplomas Certificates	118 362	93 230	97 216	103 220	119 274	91 269	99 308	95 491	99 653	55 740



FIRST TIME FRESHMEN - FALL ENROLLMENT SOUTH CAROLINA PUBLIC TWO YEAR INSTITUTIONS FULL-TIME AND PART-TIME ENROLLMENT LAST TEN YEARS

FALL	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
SC Technical Colleges										
Aiken Technical College	660	518	532	590	593	574	572	601	400	448
Central Carolina Technical College	920	789	672	732	672	790	734	653	505	446
Denmark Technical College	701	449	352	368	225	119	213	188	159	253
Florence-Darlington Technical College	1,523	1,453	1,760	1,206	960	1,371	857	700	585	557
Greenville Technical College	2,489	2,387	2,194	2,291	2,032	2,310	2,099	1,994	1,613	1,551
Horry-Georgetown Technical College	1,075	1,105	1,048	1,036	1,033	1,264	1,231	1,245	1,190	972
Midlands Technical College	2,373	2,403	2,575	2,382	2,191	2,411	2,337	2,222	1,855	1,859
Northeastern Technical College	270	274	264	234	252	249	262	246	273	247
Orangeburg-Calhoun Technical College	529	61	535	450	360	375	345	299	249	211
Piedmont Technical College	1,276	1,170	1,007	925	905	911	922	953	810	798
Spartanburg Community College	1,179	1,251	1,169	961	882	834	899	933	749	1,318
Technical College of The Lowcountry	469	442	480	432	327	512	423	430	376	367
Tri-County Technical College	1,975	2,034	2,042	2,038	1,848	1,982	2,098	2,192	1,988	2,046
Trident Technical College	2,982	2,798	2,429	2,572	1,923	2,233	2,225	1,936	1,828	1,883
Williamsburg Technical College	239	282	264	257	211	103	89	104	64	86
York Technical College	1,054	1,269	1,101	1,084	1,007	1,093	965	997	862	800
Subtotal	19,714	19,234	18,424	17,558	15,421	17,131	16,271	15,693	13,506	13,842
Two Year Reg. Campuses of USC										
U. S. C Lancaster	383	374	336	359	274	320	325	*	*	*
U. S. C Salkehatchie	336	306	269	258	266	241	271	*	*	*
U. S. C Sumter	216	227	216	194	191	270	255	*	*	*
U. S. C Union	102	116	141	98	99	181	177	*	*	*
Subtotal	1,037	1,023	962	909	830	1,012	1,028	-	-	-
Total	20,751	20,257	19,386	18,467	16,251	18,143	17,299	15,693	13,506	13,842
10001	20,731	20,237	19,300	10,407	10,231	10,143	17,299	15,093	13,300	13,042

Source: South Carolina Commission on Higher Education - Data Publications SC Technical System *Unavailable at publication.

Continuing Education Programs

Health and Human Services

Nursing Assistant Emergency Medical Services Medical Coding and Billing Radiography Paramedic CPR and First Aid Phlebotomy IV Therapy Pharmacy Technician

Community Interest Driver Safety Passport to Retirement Law School for Non-lawyers Motorcylce Safety

Business and Professional Training

Real Estate **Project Management** Workplace Skills Leadership Human Resources Computer Desktop Skills Information Technology **Customer Service** Lean/Six Sigma Quickbooks

Transportation and Logistics

Commercial Driver's License Fork Truck Certified Logistics Associates Certified Logistics Technician

Construction Trades Utility Line Worker

Contract Licensing Construction Safety (OSHA 10/30) Welding NFPA 70E **Confined Space**

Advanced Manufacturing

Industrial Maintenance CNC Programmable Logic Controllers Certified Production Technician Industrial Safety (OSHA 10/30) Manufacturing Essentials

Academic Year	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
1	I					 		 		
Continuing Education Contact Hours	200,916	164,764	181,663	152,728	124,356	104,790	114,242	118,435	67,364	61,770
Continuing Education Program CEU's	20,092	16,476	18,166	15,273	12,436	10,479	11,424	11,844	6,736	6,101
Continuing Education FTE's	365	300	331	314	337	367	486	. *	*	*

Source: South Carolina State Board for Technical Education *Unavailable at publication.

DEMOGRAPHIC DATA LAST TEN YEARS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Per Capita Personal Income										
Chester County	26,860		28,071	29,298	30,441	32,181	32,650	34,014	35,227	38,9
ancaster County	31,583	32,674	33,880	34,936	38,043	40,941	47,281	49,127	52,396	52,9
York County	34,887	36,700	36,344	37,903	39,778	40,561	44,804	46,667	48,588	51,77
State of South Carolina	34,220	35,461	35,472 _	36,677	_ 38,302]	_ 39,517 _	42,081	43,702	45,438	48,02
Total Personal Income										
Chester County	882,125	911,673	915,129	947,423	982,224	1,000,702	1,054,110	1,096,981	1,135,862	1,254,82
_ancaster County	2,455,864	2,587,524	2,727,985	2,905,293	3,265,690	3,668,045	4,379,354	4,685,740	5,135,446	5,348,9
York County	8,030,473	8,608,508	8,701,415	9,299,290	39,778	10,486,063	11,924,357	12,792,401	13,652,312	14,967,6
State of South Carolina	159,909,766	167,468,162 ⊥	169,269,397	177,242,275	187,532,342	196,049,325	211,298,966	222,188,816	233,948,400	250,573,59
Population of Service Area										
Chester County	32,841	32,645	32,601	32,337	32,267	32,181	32,285	32,251	32,244	32,23
Lancaster County	77,758	79,193	80,520	83,160	85,842	89,594	92,624	95,380	98,012	100,9
York County	230,183	234,566	239,415	245,346	251,195	258,526	266,146	274,118	280,979	289,10
State of South Carolina	4,673,054	ሷ 4,722,621 ሷ	4,771,929]	4,832,482	_ 4,896,146]	4,961,119	5,021,219	5,084,127	5,148,714 _	5,218,04
Unemployment Rates										
	%	%	%	%	%	%	%	%	%	
Chester County	17.3	14.8	12.3	9.5	7.3	5.4	6.1	4.8	4.1	8
_ancaster County	13.3	11.3	9.3	7.2	5.6	4.3	4.7	3.8	3.3	6
York County	11.0	9.3	7.8	6.4	4.8	3.6	4.0	3.3	2.8	6
State of South Carolina	9.9	8.4	6.4	6.6	6.0	3.9	4.3	3.4	2.4	6
United States			7.4 _	6.2	5.3	4.1	4.4	3.9	3.5	8
Announced Job Creation										
Chester County	71	200	318	unavailable	unavailable	unavailable	unavailable	unavailable	unavailable	unavailable
ancaster County	437	1,178	554	unavailable	unavailable	unavailable	unavailable	unavailable	unavailable	unavailable
York County	756 20,013	1,331	2,435 15,457	unavailable unavailable	unavailable unavailable	unavailable unavailable	unavailable	unavailable	unavailable unavailable	unavailable
State of South Carolina		14,137					unavailable	unavailable		unavailable

Sources: U.S. Department of Commerce, Bureau of Economic Analysis, "CA1 Personal Income Summary: U.S. Department of Labor, Bureau of Labor Statistics, "Local Area Unemployment Statistics,"

PRINCIPAL EMPLOYERS BY COUNTY FISCAL YEAR JUNE 30, 2021

Listed Alphabetically

YORK COUNTY

ALDI NC LLC
AMISUB of South Carolina Inc
Bank of America
City of Rock Hill
Clover School District No 2
Comporium Inc
Continental Tire North America Inc
Duke Energy Corporation
Food Lion LLC
Fort Mill School District No 4

Lash Group LLC
LPL Financial Corporation
Rock Hill School District No 3
Ross Dress for Less inc
Schaeffler Group USA Inc
Sunbelt Rentals Incorporated
Wal-Mart Associates Inc
Wells Fargo Bank NA
Winthrop University
York County
York County

CHESTER COUNTY

Boise Cascade Company
Boral Stone Products LLC
Building Materials Manufacturing Co.
Carolina Poly Inc
Chester County
Chester County School District
Footprint South Carolina LLC
GITI Tire Manufacturing USA LTD
Guardian Industries Corporation
Medical Univ of SC Hospital Authority

OMNOVA Solutions Inc
Roseburg South Engineered Wood LLC
SC Dept of Transportation
Schneider National Carriers Inc
Sun Fiber LLC
TDY Industries LLC
TruVista
United Infrastructure Group Inc
United Natural Foods Inc

Wal-Mart Associates Inc.

LANCASTER COUNTY

Cardinal Health
CMHA Primary Care Facilities Inc
Continental Tire North America
Food Lion LLC
Founders Federal Credit Union
Haile Gold Mine Inc
Kanawha Insurance Company
Keer America Corporation
Lancaster County
Lancaster School District

Lowes Home Centers Incorporated Medical Univ of SC Hospital Authority Meyer Utility Structures LLC Movement Mortgage LLC Newbold Services Lancaster Nutramax Manufacturing Inc RBUS Inc The Budd Group Inc TriNet USA Inc Wal-Mart Associates Inc.

Source: SC Department of Employment & Workforce

OPERATING INFORMATION

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FACULTY AND STAFF LAST TEN YEARS

Fall employment of fiscal year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Average full-time instructional salary	\$ 47,442	\$47,663	\$48,735	\$48,411	\$49,284	\$51,226	\$51,336	\$50,314	\$51,481	\$50,997
Fall employment of fiscal year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
FACULTY										
Full-time Part-time	124 201	128 230	118 217	117 217	119 209	121 204	123 202	114 221	117 202	111 113
Total Faculty	325	358	335	334	328	325	325	335	319	224
Fall employment of fiscal year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
STAFF										
Full-time Part-time	174 112	137 106	154 102	156 102	146 124	172 115	169 126	188 123	179 104	177 54
Total Staff	286	243	256	258	270	287	295	311	283	231
Total Faculty and Staff	611	601	591	592	598	612	620	646	602	455

SPACE UTILIZATION LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Instruction Assignable Square Feet Percentage of Total	180,720 58.9%	194,418 60.5%	193,985 61.2%	194,677 61.2%	195,227 61.0%	197,279 61.2%	197,279 61.2%	197,279 61.2%	184,497 60.5%	186,214 58.5%	197,805 58.7%
Public Service Assignable Square Feet Percentage of Total	635 0.2%	626 0.2%	4,683 1.3%								
Academic Support Assignable Square Feet Percentage of Total	48,250 15.7%	48,600 15.1%	49,133 15.5%	49,361 15.5%	49,342 15.4%	49,342 15.3%	49,342 15.3%	49,342 15.3%	46,250 15.1%	57,586 18.1%	44,803 13.3%
Student Services Assignable Square Feet Percentage of Total	26,484 8.6%	26,598 8.3%	14,896 4.7%	14,886 4.7%	16,275 5.0%	16,276 5.0%	16,276 5.0%	16,276 5.0%	16,276 5.3%	15,106 4.7%	15,730 4.6%
Institutional Support Assignable Square Feet Percentage of Total	23,730 7.7%	24,448 7.6%	25,529 8.1%	25,742 8.1%	25,742 8.0%	25,742 8.0%	25,743 8.0%	25,743 8.0%	24,527 8.0%	26,797 8.4%	25,012 7.4%
Plant Operations and Maintenance Assignable Square Feet Percentage of Total	13,530 4.4%	13,530 4.2%	12,743 4.0%	12,743 4.0%	12,743 3.9%	12,743 3.9%	12,743 3.9%	12,743 3.9%	12,646 4.1%	12,854 4.0%	18,877 5.6%
Auxiliary Enterprises Assignable Square Feet Percentage of Total	13,235 4.3%	13,235 4.1%	19,857 6.3%	19,857 6.3%	19,857 6.2%	19,857 6.1%	19,857 6.1%	19,857 6.1%	19,857 6.5%	18,671 5.8%	13,270 3.9%
Unassigned Assignable Square Feet Percentage of Total	0.0%	0.0%	0 0.0%	0 0.0%	0 0.0%]	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%]	16,719 4.9%
Total Assignable Areas:											
Assignable Square Feet	306,584	321,464	316,778	317,901	319,882	321,874	321,874	321,874	304,688	317,854	336,899
Percentage of Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100%	100%

NOTE: Common areas such as hallways, foyers, restrooms, closets, mechanical room are not included in totals.

Baxter M. Hood Continuing Education Center Reservations Room Usage

	College	311	251	252	360	96	85	115	102	71	-	-
	Cont. Ed.	428	432	409	350	93	20	12	5	3	-	-
	Rental	1,311	1,259	1,030	1,155	248	171	146	198	241	-	-
Total		2,050	1,942	1,691	1,865	437	276	273	305	315	-	-

The Baxter M. Hood Center conducts Continuing Education training sessions in computer technology,management and leadership, professional licensing and certification, health sciences, and early childhood education. College events include departmental graduations, commission meetings, faculty and staff training, and student organized programs. Public use of the Center covers corporate training and educational sessions, association meetings, chamber events, trade shows, banquets, wedding receptions, and high school proms.

Sources: South Carolina Commission on Higher Education; Director - Baxter M. Hood Center

OTHER (NON-REQURIED) INFORMATION



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PROGRAM ACCREDITATIONS AND APPROVALS FISCAL YEAR ENDED JUNE 30, 2021

York Technical College is accredited by the Southern Association of Colleges and Schools Commission on Colleges to award the Associate Degree, Diplomas and Certificates.

PROGRAM	ACCREDITATING AGENCY
Dental Assisting Technology	American Dental Association, Commission on Dental Accreditation
Early Care and Education	National Association for the Education of Young Children
Dental Hygiene Technology	American Dental Association, Commission on Dental Accreditation
Associate Degree Nursing	Board of Nursing for South Carolina ACEN -Accreditation Commission for Education in Nursing, Inc.
Practical Nursing	Board of Nursing for South Carolina ACEN -Accreditation Commission for Education in Nursing, Inc.
Medical Laboratory Technology	National Accrediting Agency for Clinical Laboratory Sciences
Radiologic Technology	Joint Review Committee on Education in Radiologic Technology
Surgical Technology	Commission on Accreditation of Allied Health Education Programs
Automotive Technology	National Automotive Technicians Education Foundation
Computer Engineering Technology	Engineering Technology Accreditation Commission of ABET (Accreditation Board For Engineering and Technology)
Electronics Engineering Technology	Engineering Technology Accreditation Commission of ABET (Accreditation Board For Engineering and Technology)
Engineering Graphics Technology	Engineering Technology Accreditation Commission of ABET (Accreditation Board For Engineering and Technology)
Machine Tool Technology	National Institute for Metalworking Skills (NIMS)
Mechanical Engineering Technology	Engineering Technology Accreditation Commission of ABET (Accreditation Board For Engineering and Technology)
Accounting Degree	Accreditation Council for Business Schools and Programs
Administrative Office Technology Degree	Accreditation Council for Business Schools and Programs
Business Administration Degree	Accreditation Council for Business Schools and Programs
Computer Technology Degree	Accreditation Council for Business Schools and Programs
Management Degree	Accreditation Council for Business Schools and Programs

NON-DISCRIMINATION POLICY FISCAL YEAR ENDED JUNE 30, 2021

POLICY ON NON-DISCRIMINATION

It is the policy of York Technical College not to discriminate on the basis of sex, race, religion, national origin, age, including pregnancy and childbirth (or related medical conditions), veteran status, or disability in its educational programs, activities, or employment policies. The Title IX and Section 504 Compliance Officer is Edwina Roseboro-Barnes, Assistant Vice President for Human Resources, York Technical College, 452 South Anderson Road, Rock Hill, South Carolina 29730. Telephone: (803) 981-7162

York Technical College 122 Statistical

SINGLE AUDIT SECTION

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Independent Auditor's Reports Required by Government Auditing Standards and the Single Audit Act

Schedule of Expenditures of Federal Awards For The Year Ended June 30, 2021

SINGLE AUDIT SECTION TABLE OF CONTENTS

127	Independent Auditors' Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards
129	Independent Auditors' Report On Compliance For Each Major Program And On Internal Control Over Compliance Required By The Uniform Guidance
132	Schedule Of Expenditures Of Federal Awards
133	Notes To Schedule Of Expenditures Of Federal Awards
134	Summary Schedule Of Prior Audit Findings
135	Schedule Of Findings And Questioned Costs

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GOVERNMENTAL AUDIT QUALITY CENTER

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& Co., P.A.

Certified Public Accountants
Established 1950

ALBERT B. CLINE, CPA (1923-2013) RAYMOND H. BRANDT, CPA

BEN D. KOCHENOWER, CPA, CFE, CVA, CICA, CGMA TIMOTHY S. BLAKE, CPA/PFS BRANDON A. BLAKE, CPA

Independent Auditor's Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards*

York Technical College Rock Hill, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit (York Technical College Foundation, Inc.) of York Technical College, a discretely presented component of the State of South Carolina, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprised York Technical College's basic financial statements, and have issued our report thereon dated September 30, 2021. Our report includes a reference to other auditors who audited the financial statements of York Technical College Foundation, Inc., as described in our report on York Technical College's financial statements. The York Technical College Foundation, Inc.'s financial statements were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered York Technical College's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of York Technical College's internal control. Accordingly, we do not express an opinion on the effectiveness of the York Technical College's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

York Technical College Rock Hill, South Carolina Page Two

Compliance and Other Matters

As part of obtaining reasonable assurance about whether York Technical College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Gaffney, SC

September 30, 2021

CaihA/1 - VRAA

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Independent Auditor's Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required By The Uniform Guidance

Report on Compliance for Each Major Federal Program

We have audited York Technical College's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of York Technical College's major federal programs for the year ended June 30, 2021. York Technical College's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the College's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of *Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about York Technical College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on York Technical College's compliance.

Opinion on Each Major Federal Program

In our opinion, York Technical College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

York Technical College Rock Hill, South Carolina Page Two

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings questioned costs as item **2021-001**. Our opinion on each major federal program is not modified with respect to these matters.

The College's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and question costs. The University's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of York Technical College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirement referred to above. In planning and performing our audit of compliance, we considered York Technical College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of York Technical College's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the business-type activities and the discretely presented component unit (York Technical College Foundation, Inc.) of York Technical College, a discretely presented component unit of the State of South Carolina, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements. Our report includes a reference to other auditors who audited the financial statements of York Technical College Foundation, Inc., as described in our report on York Technical College's financial statements. We issued our report thereon dated September 30, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Gaffney, SC

November 30, 2021

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YORK TECHNICAL COLLEGE Schedule of Expenditures of Federal Awards As of June 30, 2021

FEDERAL GRANTOR	CFDA Number	Grant or Contract Number	Expenditures
U.S. DEPARTMENT OF EDUCATION	Number	- Indiliber	Experialitares
Student Financial Aid Cluster CWS 19-20 CWS 20-21 Subtotal 84.003	84.033 84.033	P033A193818 P033A203818	\$ (2,990)
PELL 19-20 PELL 20-21 Subtotal 84.063	84.063 84.063	P063P192483 P063P202483	109,045 5,663,339 5,772,385
SEOG 19-20 SEOG 20-21 Subtotal 84.007	84.007 84.007	P007A193818 P007A203818	71,934 264,331 336,265
Federal Family Education Loan DIRECT LOAN 19-20 DIRECT LOAN 20-21 Subtotal 84.268	84.268 84.268	P268K202483 P268K212483	38,758 2,068,395 2,107,153
Total Student Financial Aid Cluster			8,212,813
TRIO Cluster SSS			
Student Support 19-20 Student Support 20-21 SSS STEM	84.042A 84.042A	P042A151492 P042A201807	46,398 207,631
SSS STEM 19-20 SSS STEM 20-21 Subtotal 84.042A	84.042A 84.042A	P042A151511 P042A201965	23,353 202,126 479,507
Total TRIO Cluster			479,507
Education Stabilization Fund Cluster Coronavirus Aid, Relief, and Economic Security Act: Student Portion Coronavirus Aid, Relief, and Economic Security Act: Institutional Funding Portion Coronavirus Aid, Relief, and Economic Security Act: Strengthening Institutions Program Funding Allocation Subtotal 84.425 E - F- M	84.425E 84.425F 84.425M	P425E202009 P425F205052 P425M201131	1,529,646 5,756,446 - 7,286,092
Pass-Through South Carolina Technical College System Coronavirus Aid, Relief, and Economic Security Act Governor's Emergency Education Relief Fund	84.425C		289,957
Subtotal 84.425C Coronavirus Relief Fund Coronavirus Relief Fund Subtotal 21.019	21.019		289,957 11,658 11,658
Total Pass-Through South Carolina Department of Social Services			301,615
Total Education Stabilizaton Fund Cluster			7,587,708
Pass-Through South Carolina Department of Education			
Perkins Challenge 2019-2020 Perkins Challenge 2020-2021 Subtotal 84.048	84.048A 84.048A	H63010107119 H63010107119	183,271 221,760 405,031
Total Pass-Through South Carolina Department of Education			405,031
Total U.S. Department of Education			\$ 16,685,059
U.S. DEPARTMENT OF LABOR			
Pass-Through SC Dept. of Employment and Workforce NAFTA Subtotal 17.245	17.245		33,080 33,080
Total Pass-Through SC Dept of Employment and Workforce			33,080
Pass- Through SC Technical College System SC Apprenticeship Initiative	47.000		07.407
SCAI Resolute- New Indy SCAI Schaeffler Subtotal 17.268	17.268 17.268		27,437 5,485 32,922
State Apprenticeship Expansion Grant State Apprenticeship Expansion Grant Subtotal 17.285	17.285		3,237 3,237
Total Pass-Through SC Technical College System			36,159
Total U.S. Department of Labor			\$ 69,239
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Pass-Through South Carolina Department of Social Services Child Care and Development Block Grant Fund Childcare Emergency Operations Grant Subtotal 93.575	93.575 93.575		6,892 61,989 68,881
Total U.S. Department of Health and Human Services			\$ 68,881
TOTAL FEDERAL AWARDS			\$ 16,823,180

Notes To Schedule Of Expenditures Of Federal Awards For The Year Ended June 30, 2021

1. **GENERAL**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards of York Technical College. The reporting entity is defined in Note 1 of the College's financial statements. All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

The College has not elected to use the 10% de minimis cost rate.

2. BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 of the College's financial statements.

3. <u>FEDERAL LOAN PROGRAMS</u>

The College has students who have approved loans which were received by those students during the current year. The totals and types of loans received for the current fiscal year are:

Department of Education	CFDA # 84.268 Subsidized Unsubsidized	\$ 1,310,265 796,888
		\$ 2,107,153

Summary Schedule Of Prior Audit Findings June 30, 2021

Findings Relating to the Financial Statements:

There were no findings relating to the financial statements.

Findings and Questioned Costs Relating to Federal Awards:

There were no findings and questioned costs relating to federal awards.

Schedule of Findings and Questioned Costs June 30, 2021

Summary of Auditors' Results:

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP.		Unmodified			
Internal control over fir					
Material weakness(es) identified?				No _	Х
Significant deficiency(ies) identified?				No _	Х
Noncompliance material to financial statements noted?				No _	Х
Federal Awards					
Internal control over m					
Material weakness(es) identified?				No _	Х
Significant deficiency(ies) identified?				No _	Х
Type of auditor's repor	t issued on compliance for major federal programs.		Unm	odified	
Any audit findings disc accordance with 2 CF	closed that are required to be reported in R 200.516(a) ?	Yes	х	No _	
Identification of major	federal programs:				
CFDA# Various	Student Financial Aid Cluster				
CFDA# 84.425E	COVID-19 Higher Education Emergency Relief Fund (HEERF)- Student Portion				
CFDA# 84.425F	COVID-19 Higher Education Emergency Relief Fund (HEERF)- Institutional Portion				
Dollar threshold used to distinguish between type A and type B programs:		\$750,000			
Auditee qualified as lo	w-risk auditee?	Yes	x	No	

Schedule of Findings and Questioned Costs, Continued June 30, 2021

Findings Relating to Financial Statements:

There were no findings relating to financial statements.

Findings and Questioned Costs Relating to Federal Awards:

2021-001 - Activities Allowed and Unallowed

Federal Agency: Department of Education

Program: Coronavirus Response and Relief Supplemental Appropriation Act

(CRRSAA) - HEERF II, Student Portion

Criteria: Institutions should carefully document how they prioritize students

with exceptional need in distributing financial aid grants to students, as the Department intends to establish reporting requirements regarding the distribution of financial aid grants to students consistent with section 314(e) of CRRSAA section

314(a)(1) and Updated FAQs for CRRSAA(a)(1))

Condition: In our sample of 40 students, we found 3 students where the amount

received did not agree with the amount stated in the institutional

distribution plan.

Cause: Upon management's closer investigation of students that were

awarded funds in amounts that varied from what was indicated, the financial aid office realized that the report that was created to provide this information has an error in the query. Specifically, whereas withdrawn courses are transcripted and counted in attempted credits, the report did not count those hours towards enrollment status. This created a mismatch in the awarding process,

in particular, those students with a late withdrawal status.

Effect: Students are possibly over or under awarded depending on the

eligibility criteria established in the institutional distribution plan.

Identification of a Repeat Finding: Not a repeat finding.

Recommendation: We recommend the College monitor the system to ensure accuracy

of the disbursement.

Views of Responsible Officials: The financial aid office consulted with Information Services (IS), it

was determined that that this new report was built off of a historic view which ignored withdrawals (Grades of W). In consultation with the Registrar's Office, the report was modified to ensure that the appropriate award status was consistent with that of the enrollment

status.

After the initial audit finding, we changed strategies to include a 2 part review of the list of students and enrollment status. The first is done by the Registrar's Office and the second is done by the Financial Aid Office. Both Offices will review a certain population of students and must agree prior to awarding any future direct

payments to students.

